

safeguard the Nation's health and insure against the costs of illness and unequivocally opposes any form of national compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

289. Also, concurrent resolution passed by New Jersey State Legislature memorializing the Congress of the United States to return to New Jersey and to other States sufficient moneys from taxes raised in the States for the administration of the employment security program, so as to provide adequately for administration of the unemployment compensation law; to the Committee on Ways and Means.

290. By Mr. MILLER of New York: Resolution unanimously adopted by the United Polish Organizations at a mass meeting commemorating the one hundred and sixtieth anniversary of the adoption of the Polish Constitution, May 3, 1791, held at the Polish Home in Lackawanna, N. Y.; to the Committee on Foreign Affairs.

291. By Mr. HART: Petition of United Automobile Aircraft Agricultural Implement Workers of America to cancel regulation issued by President Truman and Gen. Lewis Hershey granting blanket deferment to college students etc.; to the Committee on Armed Services.

## SENATE

MONDAY, MAY 21, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God and Father of all mankind, whose paths are mercy and truth, before the white splendor of whose purity every villainess must shrink away: Lift us, we pray Thee, above the immediate and temporary and set our lives in the wide horizons of abiding verities. As Thy servants, and the people's, in this temple of democracy, save us from the perversion of power that has not Thee in awe. In this day of destiny for us and for the world may we be worthy of our vocation as keepers of the sacred flame. Teach us so to live and so to toil and so to speak as we play our part, in this age on ages telling, that we may face with clear conscience the gaze of our contemporaries and the judgment of posterity. May our attitudes and hopes widen every area of good will within the reach of our influence. In these darkened days may our own spirits be as a beacon of hope amid the encircling gloom of despair. We ask it in the Redeemer's name. Amen.

### THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1951, was dispensed with.

### MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced

that on May 18, 1951, the President had approved and signed the following acts:

- S. 165. An act for the relief of Robert Johanna Sorensen; and
- S. 166. An act for the relief of Lars Daniel Sorensen.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House, having proceeded to reconsider the bill (H. R. 3096) relating to the acquisition and disposition of land and interests in land by the Army, Navy, Air Force, and Federal Civil Defense Administration, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was—

*Resolved*, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The message also announced that the House had passed a bill (H. R. 3973) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1952, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 100. Concurrent resolution to provide for an appropriate ceremony in the rotunda of the Capitol in honor of Constantino Brumidi; and

H. Con. Res. 105. Concurrent resolution expressing the sympathy of the Congress and of the people of the United States to the President and the people of El Salvador.

### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1227. An act for the relief of sundry former students of the Air Reserve Officers' Training Corps; and

H. R. 2685. An act to authorize the Administrator of Veterans' Affairs to reconvey to Tuskegee Institute a tract of land in Macon County, Ala.

### LEAVES OF ABSENCE

On request of Mr. McFARLAND, and by unanimous consent, Mr. HOLLAND was excused from attendance on the session of the Senate today.

On request of Mr. WHERRY, and by unanimous consent, Mr. YOUNG was excused from attendance on the sessions of the Senate today, Tuesday, and Wednesday of this week.

### COMMITTEE SERVICE

Mr. WHERRY. Mr. President, I have been requested by the chairman of committee on committees of the minority, my colleague from Nebraska [Mr. BUTLER], to present an order which I send to the desk and ask to have read, and for which I ask immediate consideration.

The VICE PRESIDENT. The order will be read.

The Chief Clerk read as follows:

*Ordered*, That Mr. BENNETT be, and he is hereby, excused from further service as a member of the Committee on Banking and Currency; and

That Mr. MCCARTHY be, and he is hereby, excused from further service as a member of the Committee on Appropriations.

The VICE PRESIDENT. Is there objection to the present consideration of the order?

There being no objection, the order was considered and agreed to.

Mr. McFARLAND. Mr. President, in accordance with the action of the majority steering committee I send to the desk an order which I ask to have read, and for which I ask immediate consideration.

The VICE PRESIDENT. The order will be read.

The Chief Clerk read as follows:

*Ordered*, That the Senator from Virginia [Mr. ROBERTSON] be, and he is hereby, assigned to service on the Committee on Appropriations as a member of the majority, and excused from further service as a member on the Committee on Expenditures in the Executive Departments; and

That the Senator from Michigan [Mr. MOODY] be, and he is hereby, assigned to service on the Committee on Banking and Currency as a member of the majority, and that he be also assigned to service on the Committee on Expenditures in the Executive Departments.

The VICE PRESIDENT. Is there objection to the immediate consideration of the order?

Mr. WHERRY. Mr. President, I did not quite understand the order. I ask that it be read again.

The VICE PRESIDENT. The Secretary will read it again.

The order was again read.

Mr. WHERRY. Mr. President, I now understand the order. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the order?

There being no objection, the order was considered and agreed to.

### COMMITTEE MEETING DURING SENATE SESSION

Mr. O'CONOR. Mr. President, I ask unanimous consent that the Committees on Armed Services and Foreign Relations be permitted to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, was consent given for a committee meeting? Mr. McFARLAND. Yes.

Mr. WHERRY. Which one?

Mr. McFARLAND. The Committees on Armed Services and Foreign Relations.

Mr. WHERRY. Will they continue to meet this afternoon?

The VICE PRESIDENT. Consent has been given for the Committees on Armed Services and Foreign Relations to meet this afternoon.

Mr. GEORGE. Mr. President, the committees will probably not remain in session later than 1 o'clock.

Mr. O'CONOR. It was the understanding, in making the request, that the session would not continue for any appreciable length of time. However, there was some very important information which had to be obtained in a very short time.

## TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

## PROPOSED SUPPLEMENTAL APPROPRIATIONS, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 39)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting proposed supplemental appropriations for the Department of the Interior, in the amount of \$4,550,000, fiscal year 1952, in the form of amendments to the budget for said fiscal year, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

## PETITION

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Finance, as follows:

## Senate Concurrent Resolution 52

Concurrent resolution memorializing Congress to amend the Social Security Act to permit a higher ratio of matching of public assistance payments in the Territory of Hawaii by virtue of a higher cost of living in that jurisdiction

Whereas the Territory of Hawaii pays its full share of Federal taxes into the Federal Treasury of the United States of America in the same manner as one and all of the 48 States; and

Whereas the cost of living in the Territory of Hawaii is consistently and appreciably higher than that in the States, as evidenced and recognized by the United States Government through its increased differential in wages and salaries to all Federal classified employees now working in the Territory and, in addition, by the higher price differentials which are being established through the Office of Price Control and which results in the placing of a heavier burden on the people of this Territory: Now, therefore, be it

Resolved by the Senate of the Twenty-sixth Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States be and it is hereby requested to amend the Social Security Act, as amended by Public Law 734, the Eighty-first Congress, to provide that in matching public assistance payments made by the Territory of Hawaii to its needy residents, the Treasury of the United States shall pay to the Territory of Hawaii—

For old-age assistance, aid to the blind, and aid to the disabled an amount equal to the sum of the following proportions of the total amounts expended with respect to each needy individual who at the time of such expenditure is eligible for such assistance in accordance with the existing provisions of the Social Security Act, not counting so much of such expenditure with respect to any such individual for any month as exceeds \$60:

A. Three-fourths of such expenditure, not counting so much of any expenditure with respect to any month as exceeds the product of \$24 multiplied by the total number of such individuals who receive old-age assistance, aid to the blind, or aid to the disabled, for such month, plus

B. One-half of the amount by which such expenditures exceed the maximum which may be counted under clause A;

For aid to dependent children an amount equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children, not counting so much for such expenditure with respect to any dependent child for any month as exceeds \$32.40, or if there is more than one dependent child in the same home, as exceeds \$32.40 with respect to one such dependent child and \$21.60 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with respect to a relative with whom any of the dependent children is living as exceeds \$32.40:

A. Three-fourths of such expenditures not counting so much of the expenditure with respect to any month as exceeds the product of \$14.40 multiplied by the total number of dependent children and other individuals with respect to whom aid to dependent children is paid for such month, plus

B. One-half of the amount by which such expenditures exceed the maximum which may be counted under clause A; and be it further

Resolved, That duly certified copies of this concurrent resolution be transmitted to the Delegate to Congress from Hawaii, the Secretary of the Interior, the Commissioner of Social Security, and each of the two Houses of Congress of the United States.

## EXCISE TAXES ON AUTOMOBILES—RESOLUTION OF LOGAN COUNTY (N. DAK.) AUTOMOBILE ASSOCIATION

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Logan County, N. Dak., Automobile Association, relating to excise taxes on automobiles.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas excise taxes on automobiles on a \$2,000 car is approximately \$475; and Whereas it is proposed that at this juncture the excise-tax increases be made from \$95 to \$265 on a \$2,000 car; and

Whereas the House Ways and Means Committee, this week, are considering excise-tax increases as hereinbefore indicated; and Whereas the Logan County Automobile Association has given careful time and considerable consideration to this attempted tax and excise increase; and

Whereas this considerable tax increase will work unwonted harm and hardship and excessive expense to the cost of an automobile and the sale thereof; and

Whereas the item of an automobile is at this time a most lucrative form of excise tax, and already paying disproportionate amount of excise tax into the coffers of the United States Treasury; then, therefore, resistance is made by the Logan County Automobile Association to the further tax and excise increase, and of record this resistance is made felt; and

Further, that a copy of this resolution be forwarded to the State Senators and Representatives to Congress from the State of North Dakota at Washington, D. C., urging them to oppose this excise tax increase attempt on the ground of exorbitancy of tax on new automobiles; and

Further, that request is made of said Senators and Representatives to effect contact with the undersigned chairman and state what action was taken by him thereon and in conformity with this resolution made.

Done this 25th day of April 1951.

ANTON BITZ,  
Chairman, Logan County Automobile Association.

## SURVEY OF FLOOD-CONTROL MEASURES, WINONA AREA, MINN.—RESOLUTION OF CITY COUNCIL OF WINONA

Mr. HUMPHREY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the City Council of Winona, Minn., on May 11, 1951, requesting an immediate and complete survey of flood-control measures necessary for the Winona area.

There being no objection, the resolution was referred to the Committee on Public Works and ordered to be printed in the RECORD, as follows:

Whereas the recent flood of the Mississippi River has caused great damage to the property of the city of Winona, Minn., and of its residents; and

Whereas in the judgment of this council it is imperative that proper steps be taken for the prevention of future flood damage to the city of Winona; and

Whereas the city engineer has made certain recommendations for the prevention of future flood damage to the said city of Winona: Now, therefore, be it

Resolved, That the Corps of Engineers of the United States Government be requested immediately to make an immediate and complete survey of flood-control measures necessary for the Winona area; be it further

Resolved, That a certified copy of this resolution be forwarded to the Chief Engineer of the United States Corps of Engineers, St. Paul District, St. Paul, Minn.

Passed at Winona, Minn., May 11, 1951.

WILLIAM P. THEURER,  
President of the City Council.

Attest:

ROY G. WILDGRUBE,  
City Recorder.

Approved this 11th day of May, 1951.

J. ROLAND EDDIE, Mayor.

## STATEHOOD FOR HAWAII—MINORITY VIEWS

Mr. BUTLER of Nebraska (for himself, Mr. MALONE, and Mr. SMATHERS), members of the Committee on Interior and Insular Affairs, submitted minority views on the bill (S. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States, which were ordered to be printed as part of the majority report (No. 314).

## STATEHOOD FOR ALASKA—MINORITY VIEWS

Mr. BUTLER of Nebraska (for himself, Mr. MALONE, Mr. WATKINS, Mr. LONG and Mr. SMATHERS), members of the Committee on Interior and Insular Affairs, submitted minority views on the bill (S. 50) to provide for the admission of Alaska into the Union, which were ordered to be printed as part of the majority report (315).

## ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 21, 1951, he presented to the President of the United States the enrolled bill (S. 1227) for the relief of sundry former students of the Air Force Officers' Training Corps.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:  
S. 1505. A bill for the relief of certain alien refugees;



S. 1506. A bill for the relief of Mrs. Richard Rosenthal;

S. 1507. A bill for the relief of certain alien refugees; and

S. 1508. A bill for the relief of Wazir Ali Bhuyan; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1509. A bill for the relief of the Hotchkiss Sales Company; to the Committee on the Judiciary.

By Mr. HENNINGS:

S. 1510. A bill for the relief of certain former employees of the Inland Waterways Corporation; and

S. 1511. A bill for the relief of Erna Hannelore Narr and Helene Ursula Narr; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 1512. A bill for the relief of Mrs. Maud M. Wright and Mrs. Maxine Roberts, formerly Mrs. Maxine Mills; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1513. A bill for the relief of Thorvald Nin; to the Committee on the Judiciary.

By Mr. BREWSTER (for himself and Mrs. SMITH of Maine):

S. 1514. A bill to fix a reasonable definition and standard of identity of lobsters; to the Committee on Interstate and Foreign Commerce.

#### INVESTIGATION OF POLICY RELATING TO PRESERVATION OF NATURAL RESOURCES OF ALASKA

Mr. BUTLER of Nebraska. Mr. President, I submit for appropriate reference a resolution calling for a study by the Senate Interior and Insular Affairs Committee of the Federal policy of withholding and reserving from use land, forest, mineral, and other valuable resources of Alaska.

The recent census report shows that the number of farms in the entire Territory of Alaska has declined from 623 to 525 during the past 10 years. Either figure is far less than the number of farms to be found in a single average county within the 48 States. I believe that one fact emphasizes how urgent it is that some measures be taken to open up the resources of the Territory and stimulate their development and use.

Until that is done, any discussion of statehood is beside the point, in my opinion.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 141) submitted by Mr. BUTLER of Nebraska, was referred to the Committee on Interior and Insular Affairs, as follows:

Whereas a reasonable degree of development of the resources of Alaska is absolutely necessary both for the attainment and the success of statehood; and

Whereas of the principal Alaskan industries gold mining, fishing, and agriculture have all declined rather than increased during the past decade; and

Whereas no new industries other than Government construction have been established in Alaska for many years; and

Whereas Federal policies of reserving from private use the forest, mineral, agricultural, and fishing resources are a major element affecting the development of the Territory's resources; and

Whereas the prospect of the creation of additional Indian reservations in Alaska throws a cloud on the titles of all those who now or may hereafter hold real property there, and discourages investment in fixed assets; and

Whereas it is essential that the Congress establish a policy with respect to Federal reservations of the natural resources of Alaska to the end that these resources may be brought into productive use: Now, therefore, be it

*Resolved*, That the Senate Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation and study of the policies of the various departments and agencies of the Federal Government which are resulting in the reserving from use by private enterprise of the lands, waters, minerals, and other resources of Alaska, including but not limited to the Forest Service's policy with respect to forests, the Department of the Navy's policy with respect to petroleum, and the Department of the Interior's policy with respect to Indian reservations, mineral resources, and agricultural lands, for the purpose of determining what changes, if any, should be made in such policies in order to encourage private industry in Alaska. The committee shall report to the Senate, at the earliest practicable date, the result of its investigation and study together with its recommendations.

#### TRADE AGREEMENTS EXTENSION ACT OF 1951—AMENDMENTS

Mr. CONNALLY submitted amendments intended to be proposed by him to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

#### HOUSE BILL REFERRED

The bill (H. R. 3373) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1952, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

#### HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 100) to provide for an appropriate ceremony in the rotunda of the Capitol in honor of Constantino Brumidi, was referred to the Committee on Rules and Administration.

#### ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BREWSTER:

Address delivered by Senator MILLIKIN at the meeting of the Republican National Committee, at Tulsa, Okla., on May 11, 1951.

By Mr. STENNIS:

An address on the subject Our Purpose Is Peace, delivered by Senator KERR, at the annual encampment of the Veterans of Foreign Wars of Oklahoma, in Oklahoma City, Okla., on May 19, 1951.

By Mr. BENTON:

Address delivered by him at a dinner in New London, Conn., on May 5, paying honor to Pat Sullivan, high sheriff of New London County, Conn.

By Mr. CONNALLY:

Address entitled "Every State Has Submerged Lands," delivered by Hon. Price Daniel, attorney general of Texas, at the Texas congressional dinner, Washington, D. C., on April 30, 1951, which appears in the Appendix.

By Mr. BRIDGES:

Address on the subject of the Korean War and American policy in Asia, delivered by national commander of the American Legion Erle Cocke, Jr., at St. Louis, Mo., May 12, 1951.

By Mr. O'CONOR:

An address dealing with Latin American and Argentine affairs, delivered by James Bruce, former Ambassador to Argentina, before the Maryland Historical Society, on May 17, 1951.

Article entitled "Small Business: A Texan Learns Tricks for Survival After Federal Death Decree," written by Dewitt C. Morrill and published in the Wall Street Journal.

By Mr. HUMPHREY:

Address on the subject Chinese-American Friendship, delivered by Hon. Dean Rusk, Assistant Secretary of State for Far Eastern Affairs, at the China Institute dinner, Waldorf-Astoria Hotel, New York City, May 18, 1951.

Economic study entitled "Small Business Fights for Survival," prepared by the Public Affairs Institute.

By Mr. LANGER:

An article entitled "Senator Langer Was Well Pleased With Morale and Conditions at Rucker," written by Leroy Rolshoven, and published in the Mandan Pioneer of May 4, 1951.

An article entitled "Clear Channel Stations Blast NARBA Pact," written by Edwin W. Craig, and published in the May 1951 issue of the Julius Klein Newsletter, dealing with the North American regional broadcasting agreement.

By Mr. BUTLER of Nebraska:

An editorial entitled "How Safe Is Public Opinion?" published in a recent issue of Spectacles, a publication of the students of Wilson Teachers College, Washington, D. C.

Tables marked "Exhibit H" and "Exhibit I," giving comparisons of tax rates and benefits received under the social security and railroad retirement laws.

By Mr. FREAR:

Statement issued by the Delaware Bankers' Association on the Program for Voluntary Credit Restraint.

By Mr. JOHNSON of Texas:

Editorials regarding the universal training and service legislation, from the Pittsburgh Post Gazette, the Elizabeth (N. J.) Journal, the Providence (R. I.) Journal, the Baltimore Sun, and the Kansas City Star.

#### CELEBRATION OF I AM AN AMERICAN DAY IN BALTIMORE

Mr. O'CONOR. Mr. President, with so much talk these days, and a disturbing number of instances evidenced from time to time, of disloyalty to America and its ideals, it is refreshing and inspiring to be reminded, as I was yesterday at the I Am An American Day observance in Baltimore, of how great is the love of country and the high regard for its ideals among so many of our people.

Suggested some years ago by Mr. William Randolph Hearst, founder and publisher of the great chain of newspapers throughout the country, I Am An American Day has been a tremendous success from its inception, particularly in the Baltimore area. As an evidence of this I merely cite that yesterday there were nearly 25,000 persons in line, and crowds estimated to number up to 150,000 massed along the streets to review the parade, or gathered in a huge throng at Patterson Park.

At the park, following patriotic addresses by the mayor of Baltimore, Hon. Thomas D'Alesandro, and others, a large group of displaced persons took their

oath of allegiance to the United States, after marching valiantly in the parade. Merely to see those joyful new residents of our country participating so happily in this occasion, and to contrast their present enjoyment of American benefits with the utter lack of freedoms in their homelands, is to be impressed anew and forcefully with the priceless benefits attendant upon citizenship in this greatest of all countries.

With subversive elements within our country striving to undermine the love of country and respect for individual rights and freedoms which are the basis of American institutions, all who labored so much to bring about this inspiring spectacle deserve the commendation and thanks of our people. Mr. William Randolph Hearst, for his leadership in this movement and his continuing support of it from year to year; Mr. Aldine R. Bird, of the Hearst staff in Baltimore, who actually supervised the arrangements, and General Chairman Paul E. Burke, and United States Marshal Richard C. O'Connell, parade marshal.

#### EXECUTIVE MESSAGES REFERRED

As in executive session.

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of John M. Allred to be postmaster at Collins, Miss., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### SEVENTIETH ANNIVERSARY OF FOUNDING OF THE AMERICAN RED CROSS

Mr. O'CONOR. Mr. President, the commemoration today of the seventieth anniversary of the founding of the American Red Cross should not be permitted to go unnoticed, in view of the outstanding service rendered our country and its people by this great organization.

Maryland is justifiably proud of the fact that the observance today will center in Glen Echo, Md., around the house used by Clara Barton, founder of the American Red Cross, as her early headquarters. In memory of this fact, the Montgomery County Chapter of the Red Cross is placing a plaque today in the Clara Barton House, a 32-room white clapboard home which actually was the national headquarters of the Red Cross from 1893 until 1904.

It is interesting to note that Clara Barton, who had worked as a volunteer nurses' aid in 19 battles of the Civil War, also contributed to the operation of the International Red Cross before the United States became a member. On May 21, 1881, she met with a group of friends here in Washington and formed the Association of the Red Cross, of which she was elected President.

From this humble beginning the Red Cross has grown to an organization of 1,600,000 volunteers, with more than 3,000 chapters. Moreover, by reason of the efficiency of its humanitarian endeavors, it has come to be the symbol throughout the world of the generosity of America.

On this, its seventieth anniversary, I am sure I speak for the Senate and for the people of America in offering sincere

congratulations on a work well done, and earnest wishes for many more years of service to our country and to humanity.

#### THE MACARTHUR VIEWPOINT

Mr. McFARLAND. Mr. President, I desire to read at this time an editorial entitled "The President, General MacArthur, and Korea," which appeared in the Arizona Daily Star of May 1, 1951. The editor of the Star is Mr. William Matthews, one of our best-known Arizona citizens, who has in recent years traveled widely and has personally interviewed General MacArthur. In my judgment, Mr. Matthews makes points with which few can disagree, and I hope that this editorial will be widely read. I quote the editorial:

#### THE PRESIDENT, GENERAL MACARTHUR, AND KOREA

When, in his Washington and Chicago speeches, General MacArthur emphasized the need for what he called a realistic and positive Korean policy, he echoed the desires of most of the American people and gave renewed impetus to the formulation of such a policy.

The Washington administration must act in a more positive manner and act promptly. It must make its policy and the reasons for it clear to the American people. It wants victory just as badly as General MacArthur and the people. The dispute is how to win it.

General MacArthur recommends: (1) The use of Chinese Nationalist troops for an attack on the continent, (2) imposition of a naval blockade, and (3) bombing of military targets in Manchuria. By such a combination of military actions, he hopes to weaken the Chinese in Korea and win the military victory which will compel the Chinese to make peace by driving their armies behind the Yalu.

No one with common sense will dispute this plan of action, if its effects could be limited to Korea and air and sea support to the Chinese Nationalist invasion. The reason President Truman opposes is that he fears such a program will precipitate hostilities with the Soviet Union, and that support of the Chinese invasion will draw us into a war in China. In such circumstances, if the Russians keep their treaty, they would have to come to the aid of China.

If that would happen, much of our military strength would be pinned down in China, where we could not hope to injure the real source of Communist strength, which lies in the Soviet Union. Our Armies in Korea would be caught in a gigantic and costly evacuation.

That is the risk as the President sees it. President Truman is trying consciously and deliberately to limit the scope of a small war. He seeks a negotiated peace, rather than a military victory. He is trying to harmonize the American policy with that of the United Nations. He evidently hopes that determination to stay on in Korea, fighting an indecisive military action, will ultimately cause Peiping to accept a peaceful settlement which neither side could call a military victory.

General MacArthur's plan obviously widens the scope of the war and may expand it into a world-wide one. He says the military effort in the Orient would be a part of a global struggle. He thus does not minimize the prospects of war in Europe. He calls for a military victory, but assumes that a political victory will automatically follow. Who is right?

The Star believes the President is right so far. It does not believe that the military victory General MacArthur sets as an objective will bring peace with a revolutionary China. To the contrary, the Star believes

it will give increased impetus to the cause of communism in China, just as allied intervention in France in the 1790's and in Russia in 1918-21 strengthened revolutionary forces of those days.

The Communist government of China will not sue for peace, when it suffers military defeat. It has been in existence in China for 20 years and more. Not all the might and power of the United States can conquer China and impose a peace. That is where General MacArthur makes a basic political mistake in his estimate and plan. China has always absorbed her conquerors. What, then, should our policy in Korea be?

The Star makes the following recommendations, based on the underlying belief that our military forces should and must ultimately be withdrawn from Korea:

(1) Reinforce our army in Korea sufficiently to drive the Chinese armies back to the strongest natural line of defense that can be found in North Korea.

(2) Dig in along this line with a trench system, barbed wire impediments, and organized strong points, similar to what we did in World War I, but augment such a defense with mines and tank traps.

(3) Recruit and train Korean troops to man this system, but back it up with several armored divisions of U. N. forces to plug any gap that may be opened.

(4) Start the reconstruction of Korea, give the Korean people something to live for, stop coddling them as we have been prone to do, create an officers' corps, without which any defense of Korea in the future will be futile. If the Russians can organize and inspire the North Koreans to do what they did, why can't we do likewise?

(5) Make formal peace with Japan and allow her to develop her strength. This will lighten our own burden and help fill the vacuum of political power in the Orient.

(6) Proclaim our uncompromising determination to defend the line of the Aleutians, Japan, Okinawa, Formosa, the Philippines, and Singapore by the use of our air and sea power. General MacArthur, in his speech before Congress, confirmed the military feasibility and wisdom of that.

(7) Never again land troops on the continent of Asia.

(8) Support guerrilla action of Chinese Nationalists so they can deal out some of the same kind of misery to the Peiping government that the Communists used to hand to the Nationalists.

(9) Maintain a friendly Chinese Government in Formosa in much the same way the British maintained Louis XVIII, to use when the time becomes more appropriate.

(10) Bear in mind that organized Communist power cannot be defeated in China, and can be defeated only at its source—in the Soviet Union.

Such a policy as outlined definitely seeks to limit our objectives and to accept a peace without victory. After fighting two world wars the American people should surely realize by now that military victory does not necessarily bring peace. Yet the above recommendations refuse to accept a defeat, but are militarily and politically feasible and within the limits of our strength.

Meanwhile, the war in Korea goes on. General MacArthur is due to testify before Congress, which is something he ought to have done at least 2 years ago. The chances are that Secretary Acheson is on the way out.

Events are thus carrying the country rapidly toward a decision. If we use restraint and wisdom, the influence of General MacArthur's return can generate a successful solution of this distressing problem. On the other hand, if we lose self-control, succumb to popular clamor, and make an impulsive decision representing wishful thinking, we can shout ourselves into perhaps the greatest cataclysm in all history, where we shall see in months—not years—what we call civilization destroyed before our very eyes.



ACQUISITION AND DISPOSITION OF CERTAIN LAND BY ARMY, NAVY, AND AIR FORCE—VETO MESSAGE (H. DOC. NO. 133)

The VICE PRESIDENT laid before the Senate a message from the House of Representatives, which was read by the legislative clerk, as follows:

IN THE HOUSE OF REPRESENTATIVES,  
UNITED STATES,  
May 17, 1951.

The House of Representatives having proceeded to reconsider the bill (H. R. 3096) entitled "An act relating to the acquisition and disposition of land and interests in land by the Army, Navy, Air Force, and Federal Civil Defense Administration," returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The VICE PRESIDENT laid before the Senate the message from the President of the United States, which was read by the legislative clerk.

(For President's message, see proceedings of the House of Representatives of May 15, 1951, pp. 5374-5375, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. The question is, Shall the bill pass, the objections of the President to the contrary notwithstanding?

Mr. MCFARLAND. Mr. President, I ask that the message lie on the table.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona? The Chair hears none, and the message from the President and the bill will lie on the table, and the bill will be printed in the RECORD.

The bill is as follows:

Be it enacted, etc., That the Secretary of the Army, the Secretary of the Air Force, the Secretary of the Navy, or the Administrator of the Federal Civil Defense Administration, as the case may be, or his designee, shall come into agreement with the Committee on Armed Services of the Senate and of the House of Representatives with respect to those real-estate actions by or for the use of the military departments or the Federal Civil Defense Administration that are described in (a) through (e) below, and in the manner therein described.

(a) Acquisitions of real property where fee title is to be acquired. The agreement to be reached with respect to the acquisitions described in this subsection shall be based on general plans for the project, which shall include an estimate of the total cost of the lands to be acquired.

(b) All leases to the United States of real property having an annual rental in excess of \$10,000. In those cases where the project involves a group of individual leases, the agreement to be reached shall be based on general plans for the project, which shall include an estimate of the total cost of leasing such lands.

(c) Leases of Government-owned real property where the annual rental is in excess of \$10,000, except that agreement with the committees shall not be required with respect to leases for agricultural or grazing purposes.

(d) All transfers of Government-owned real property under the jurisdiction of the military departments or the Federal Civil Defense Administration to other Federal agencies, or to States, including those transfers between the military departments.

(e) All reports of excess Government-owned real property to a disposal agency.

SEC. 2. This act shall apply only to real property within the continental limits of the United States, the Territory of Alaska, the Territory of Hawaii, and Puerto Rico. This act shall not apply to real property pertaining to river and harbor and flood-control projects.

SEC. 3. A recital of compliance with this act in any instrument of conveyance, including leases, to the effect that the requirements of this act have been complied with or, in the alternative, that the conveyance or lease is not affected by this act shall be conclusive evidence thereof.

SEC. 4. Section 407 of the act approved January 6, 1951 (Public Law 910, 81st Cong.), and the second proviso contained in the first section of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved April 4, 1944 (58 Stat. 190), are hereby repealed.

SEC. 5. This act shall take effect on July 1, 1951, and may be cited as the "Defense Land Transfer Act."

Mr. WHERRY. Mr. President, I inquire of the Senator from Arizona if he knows when the Senate may take up the veto message?

Mr. MCFARLAND. I shall have to consult with the chairman of the committee. He has not indicated to me. The only thing he wanted me to ask was that the message lie on the table.

Mr. WHERRY. Several Senators on this side of the aisle are very much interested in it. If the consideration of the message were going over for a day or two, I could at least tell them that.

Mr. MCFARLAND. We shall try to give notice.

TRADE AGREEMENTS EXTENSION ACT  
OF 1951

The Senate resumed the consideration of the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

Mr. GEORGE. Mr. President, I ask that Mr. Winthrop G. Brown, of the State Department, be permitted to occupy a seat on the floor of the Senate during the consideration of the pending bill.

The VICE PRESIDENT. Without objection, it is so ordered. The Secretary will state the first committee amendment.

The LEGISLATIVE CLERK. On page 1, line 8, after the word "of", it is proposed to strike out "three" and insert "two."

Mr. MCFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Dworshak	Johnson, Tex.
Anderson	Eastland	Johnston, S. C.
Bennett	Ellender	Kerr
Benton	Ferguson	Kilgore
Brewster	Frear	Knowland
Bricker	Fulbright	Langer
Bridges	George	Lodge
Butler, Nebr.	Gillette	Long
Byrd	Hayden	Magnuson
Cain	Hendrickson	Malone
Capehart	Hennings	Martin
Carlson	Hickenlooper	Millikin
Case	Hill	Monroney
Clements	Hoey	Moody
Connally	Humphrey	Morse
Cordon	Hunt	Mundt
Dirksen	Jenner	Murray
Duff	Johnson, Colo.	

McCarthy	Robertson	Stennis
McClellan	Russell	Taft
McFarland	Saltonstall	Thye
McKellar	Schoeppel	Underwood
McMahon	Smathers	Welker
Neely	Smith, Maine	Wherry
Nixon	Smith, N. J.	Wiley
O'Connor	Smith, N. C.	Young
O'Mahoney	Sparkman	

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from South Carolina [Mr. MAYBANK] are absent on official business.

The Senator from Florida [Mr. HOLAND] is absent by leave of the Senate.

The Senator from New York [Mr. LEHMAN] is absent by leave of the Senate on official business, having been appointed a member of the United States delegation to the World Health Organization, which is meeting in Geneva, Switzerland.

The Senator from Nevada [Mr. McCARRAN] is absent by leave of the Senate on official business.

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from Montana [Mr. ECTON], the Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. IVES], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Utah [Mr. WATKINS] is absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

Mr. GEORGE. Mr. President, I believe that customarily committee amendments are considered first, but I ask unanimous consent that the committee amendments be considered first, before considering other amendments.

The VICE PRESIDENT. The Chair may say that that is unnecessary.

Mr. GEORGE. I understand that it is unnecessary. I was simply making a formal request.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. GEORGE. Mr. President, the Committee on Finance has held extended hearings on H. R. 1612, a bill to extend the authority of the President to negotiate trade agreements under section 350 of the Tariff Act of 1930, as amended. It has reported the bill favorably with certain amendments. The committee amendments are recommended unanimously.

The trade agreements program has become a fundamental part of our foreign policy. It has been the instrument under which the United States has cooperated with other nations of the world in the reduction of tariffs and other trade barriers. It has become to other countries the symbol of determination of the United States to continue its leadership and active participation in that work. It has been considered and renewed by the Congress six times.

I think it can fairly be said that this program commands the support of the

vast majority of the American people and of the Members of the Congress. While there has been some disagreement as to the merits of the way in which the program has been administered, there has been little disagreement with the basic validity of the principles which underlie it. We have long ago rejected isolationism in international trade and commerce. We realize that exports are vital to the prosperity of our industry and our farms and to the strength of our friends abroad. We understand that if we are to sell, we must buy. We know that a prolonged excess of exports over imports is not a favorable balance of trade. We know that we cannot be self-sufficient, and that it would not be to our best interests to be so, even were it possible. We recognize that a fruitful international trade is as vital to the prosperity of our own Nation and other friendly nations as domestic trade is to the various communities within our own borders.

So, what we are debating is not a matter of objective or of principle, but a matter of method. I think this has been clearly shown by the fact that while there have been closely divided votes in the Congress on many amendments offered in the successive renewals of the act, the final passage of the bill has been by ever-increasing majority in both Houses.

Therefore, I shall not take the time of the Senate to discuss at any length the principles underlying the act or the reasons why it is important that it be continued. I shall make only two points in this connection, and shall then discuss the amendments which have been recommended by the committee.

The first point I should like to make is that the growing importance and influence of the United States in the world and the consequent increasing influence of our economic policies upon the economic and political situations of other friendly countries make it increasingly important that we maintain leadership in the work of building the kind of international trade in which the free nations can best prosper and the private enterprise in which we believe can have the best opportunity to flourish. This is true despite the difficult and disturbed conditions which exist today, because we must work to build not only immediate defenses, but the long-term strength and unity of the free world.

One of the major elements in this task is the effort to reduce unnecessary governmental barriers to international trade upon which so much of world prosperity depends. The United States has been a leader in this effort almost since the original enactment of the Trade Agreements Act. Great progress has been made, culminating in the agreements at Geneva, Annecy and now at Torquay—negotiations at which agreement was reached upon the tariff treatment of well over half the trade of the entire world. The results there achieved would not have been possible had it not been for the active participation of the United States.

It is not expected that there will be another major conference, such as those

I have mentioned, within the life of the extension of the act. It is nevertheless essential that the act be extended to make clear the continued intention of this country to participate in whatever way is practical and appropriate in the improvement of international trading conditions.

If the Trade Agreements Act were not to be renewed, this would be far more than a failure to act. It would amount, in the eyes of the world, to a positive rejection by the United States of a liberal trade policy.

My second point is that although there are not expected to be any major tariff negotiations during the life of this extension, adjustments in existing agreements will, however, undoubtedly be desirable from time to time. Moreover, it is possible that it may be desirable to negotiate with one or two countries not represented at Torquay, either for their accession to the general agreement on tariffs and trade or bilaterally. It is also possible that some negotiations may develop in connection with efforts to promote greater integration in Europe which will involve some products in which we are interested and in which it would be to our advantage to participate on a limited scale. For this practical purpose, the President must have the authority conferred by the bill which is now before the Senate.

I have said that a number of questions have been raised in the past as to the way in which the program has been administered, and doubt has been expressed as to whether there have been adequate safeguards in the act itself against possible injury to domestic industry or agriculture.

It will be noted that the bill as reported contains a number of amendments. These amendments are designed to introduce into the law itself some of the safeguards which are already being employed as a matter of Executive discretion, and some new safeguards.

A number of the amendments proposed by the committee are based in the first instance on amendments adopted by the House. Others are suggested for the first time by the committee.

In the first place, the bill as passed by the House would have extended the act for 3 years. The committee believes that because of the uncertainty in the economic conditions of the world today, it would be desirable to review the operation of the act at an earlier date, and has, therefore, recommended an extension for only 2 years.

The committee has adopted the peril-point amendment approved by the House, with certain minor modifications designed to make clear that the Tariff Commission should not be in any way hampered in fulfilling its fact-supplying functions during and at the scene of trade-agreement negotiations. The Senate is already very familiar with this amendment, as it was debated in both the Eightieth and Eighty-first Congresses.

The House-approved bill would have required the President to withdraw within 90 days the benefit of future tariff concessions from Communist areas. The Committee on Finance has broad-

ened this amendment to include all concessions, past, present, and future, and has made the withdrawal of the benefit mandatory only when such action is practicable. It has also made it possible for the President, if he considers it advisable, merely to suspend the benefit of those concessions, so that countries which appear to be throwing off the yoke of communism may be quickly restored to most-favored-nation status.

The bill as reported by the committee contains an amendment dealing with the important matter of the escape clause and trade agreements. The committee believes that it has substantially improved the House amendment on this point by eliminating certain weaknesses which would have complicated its administration.

In general, this amendment is designed to allow the greatest possible freedom in the operation of existing and future trade agreements without resultant serious injury to domestic producers. It directs the President to insert an escape clause in all future agreements and, as soon as practicable, in all past agreements. He must report to Congress on action taken by him in this respect.

Recognizing, however, the varying situations which exist in our trade relations with different countries at different times, the committee places no time limit upon the President, and makes the principle of including the escape clause in existing agreements mandatory only if such action would be practicable. This is to make sure that no important interest in this country will be jeopardized by action which might be unwise or precipitate under the circumstances.

The bill as passed by the House directed the Tariff Commission to make an investigation when requested to do so by the President or any interested party or upon its own motion. The committee has strengthened this amendment by directing the Tariff Commission to make an investigation upon resolution of either House of Congress or of the Committee on Finance or the Committee on Ways and Means.

The committee has made substantial improvements in the House-approved amendment with regard to the factors to be considered by the Tariff Commission in determining whether imports are seriously injuring or threatening to injure any domestic industry. The reported amendment states that certain factors, without excluding others, are to be taken into consideration, but it does not require that those factors be conclusive evidence.

In its investigation, the Tariff Commission is to determine whether imports are entering in relatively increased quantities based on a representative period prior to the granting of the concession in question. The term "relatively increased quantities" is used in the broadest sense. It is conceivable that, because of a sharp decline in domestic consumption of a commodity, a domestic industry may be seriously injured by imports even though those imports were declining. The term "relatively" was used to allow escape action even though imports, as well as domestic output, are declining.



If, after the Tariff Commission has completed its investigation, the President does not take the escape action recommended by it, he must submit a report to the Committee on Ways and Means and the Committee on Finance stating why he has not made the adjustments or modifications recommended. The Tariff Commission, if it dismisses an application without a full investigation, must make and publish a report stating its findings and conclusions.

The Committee on Finance is also recommending two important amendments relating to agricultural products.

The committee did not approve the House amendment which would have prevented tariff concessions from applying to imported agricultural commodities being sold under a price-support program. It was felt that the intermittent application and withdrawal of price supports would make it impossible to make tariff concessions on the agricultural products concerned and therefore to get any worth-while tariff concessions from other countries on the agricultural products we send to them. It was felt that the uncertainties growing out of the operations contemplated by the House amendment would not help, but would rather interfere with and obstruct the normal trade in price-supported products and in the long run cost the United States more money.

The committee, however, adopted two amendments which were not in the House bill. The first of these recognizes that in the case of perishable agricultural commodities it may be necessary to take emergency action under section 22 of the Agricultural Adjustment Act or under the escape provisions of this bill to prevent loss or material interference with orderly marketing. A provision to that effect has therefore been included in an amendment which provides that when emergency action is reported to the Tariff Commission and to the President as necessary by the Secretary of Agriculture, the Tariff Commission shall make an immediate investigation and report and the President make his decision within 20 days after the Secretary of Agriculture has filed his report. The President need not await the report of the Tariff Commission if in his judgment the emergency requires earlier action.

Another amendment of great importance was the amendment suggested by the Senator from Washington [Mr. MAGNUSON] which, as the Senate knows, had already twice been adopted by the Senate in connection with other legislation. This amendment is designed to protect the full operation of section 22 of the Agricultural Adjustment Act which now, in subsection (f), contains certain limitations upon the full scope of its use by reason of the provisions of our trade agreements.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator from Georgia yield to the Senator from Vermont?

Mr. GEORGE. I yield.

Mr. AIKEN. I was wondering whether section 8 covered only perishable farm

commodities. As I understand, it covers only perishable farm commodities. It does not apply to wheat or rye, excessive imports of which sometimes create a little trouble. Were there any demands to have the nonperishable farm commodities included in the bill?

Mr. GEORGE. I will say there was very little demand. The farm organizations did not make such a demand. There was a demand to deal with the perishable commodities.

Mr. AIKEN. That would cover potatoes, apples, and tomatoes?

Mr. GEORGE. Yes, potatoes, apples, and tomatoes, and various other perishables.

Mr. AIKEN. It would cover, would it not, perishable commodities that could easily demoralize the market?

Mr. GEORGE. Yes. It was thought that the amended escape clause would give ample protection.

Mr. AIKEN. That is, section 7?

Mr. GEORGE. Yes.

Mr. AIKEN. I thank the Senator.

Mr. GEORGE. Mr. President, I was discussing section 22, and I will restate a part of what I said because it is most important. Subsection (f) of section 22 contains certain limitations upon the full scope of its use by reason of the provisions of our trade agreements. That is, that was the way the matter stood before the amendment was recommended by the committee. The amendment recommended by the committee reverses this situation, and provides that if a case should arise where required action under section 22 would conflict with any trade agreement, then the action under section 22 shall prevail. The committee, of course, assumes that where a choice of remedies under section 22 makes it possible, the President will probably choose a course not incompatible with our foreign commitments.

The committee believes that these two amendments will provide important safeguards for our agricultural producers and will provide them with all the protection they need, without incurring the marked disadvantages for American agriculture which would have been involved in the House-approved amendment.

Finally, the Committee on Finance proposes an amendment restoring the right of domestic producers to appeal to a customs court if they feel they are being injured by the classification of an imported article, a right which had been terminated by the original Trade Agreements Act of 1934 insofar as products covered in trade agreements were concerned.

However, there has been an amendment of that act, section 516, which in the opinion of the committee justified the restoration of this privilege to the domestic producers; that is, the privilege of appealing from a classification ruling made by our authorities.

It also makes it clear that the passage of this measure will not indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade.

The last two amendments are explained in the committee report and I

need not take the time of the Senate to discuss them more fully.

It is my conviction, and I believe the conviction of the full committee, that the bill proposed will reaffirm the determination of the United States to participate fully in constructive leadership in the work of improving the conditions of world trade and will, at the same time, provide substantial improvements in the method of administering the program which will give all proper and reasonable safeguards to legitimate domestic interests. The safeguards contained in this measure are, of course, in addition to and not in substitution for the careful procedures already followed by the administration in the way of public notice, public hearing, careful administration and study, and so forth.

I am happy to advise the Senate that the recommendations of the committee are unanimous. I believe that it is the first time in the history of the trade agreements program that a unanimous report has been rendered on renewal of the Trade Agreements Act by the Committee on Finance.

It is the unanimous recommendation of the committee and my most earnest recommendation and hope that the bill, as amended by the committee, be passed.

Of course, from time to time, individual situations have been brought to the attention of the committee, and with respect to which the committee was impressed that the complainants were entitled to some remedy. With the amendments now in the bill it would seem to the committee, at least, that the way is open for corrective legislation in individual cases where really meritorious grounds have been established for relief.

Mr. President, I now ask unanimous consent for approval of all the committee amendments en bloc, with the full right, of course, of any Senator subsequently to move to amend or to disagree, as he would be entitled to do if we were to approve the committee amendments one by one.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 1, line 8, after the word "of", to strike out "three" and insert "two"; on page 3, after line 19, to strike out:

"SEC. 4. The Commission shall furnish facts, statistics, and other information at its command to officers and employees of the United States preparing for or participating in the negotiation of any foreign trade agreement; but neither the Commission nor any member, officer, or employee of the Commission shall participate in any manner (except to report findings, as provided in sec. 3 of this act and to furnish facts, statistics, and other information as required by this section) in the making of decisions with respect to the proposed terms of any foreign trade agreement or in the negotiation of any such agreement."

On page 4, line 7, to change the section number from "5" to "4"; on page 5, after line 12, to strike out:

"SEC. 6. As soon as practicable, but not more than 90 days after enactment of this act, the President shall take such action as is necessary to withdraw or prevent the application of reduced tariffs or other concessions (including the binding of an article on the free list) contained in any trade agreement

hereafter entered into under authority of section 350 of the Tariff Act of 1930, as amended and extended, to imports from the Union of Soviet Socialist Republics and to imports from any nation or area thereof which the President deems to be dominated or controlled by the foreign government or foreign organization controlling the world Communist movement."

And in lieu thereof to insert the following:  
 "Sec. 5. As soon as practicable, the President shall take such action as is necessary to suspend, withdraw, or prevent the application of any reduction in any rate of duty, or binding of any existing customs or excise treatment, or other concession contained in any trade agreement entered into under authority of section 350 of the Tariff Act of 1930, as amended and extended, to imports from the Union of Soviet Socialist Republics and to imports from any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement."

On page 6, after line 9, to strike out:

"Sec. 7. (a) If in the course of a trade agreement any product on which a concession has been granted is being imported into the territory of one of the contracting parties in such increased quantities or under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the contracting parties shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the concession in whole or in part, to withdraw or modify the concession, or to establish import quotas.

"(b) Upon the request of the President, upon its own motion, or upon application of any interested party the United States Tariff Commission shall make an investigation to determine whether any article upon which a concession has been granted under a trade agreement to which a clause similar to that provided in subsection (a) of this section is applicable, is being imported under such relatively increased quantities or under such conditions as to cause or threaten serious injury to a domestic industry or a segment of such industry which produces a like or directly competitive article.

"In the course of any such investigation the Tariff Commission shall hold hearings, giving reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings.

"Should the Tariff Commission find, as the result of its investigation and hearings, that serious injury is being caused or threatened through the importation of the article in question, it shall recommend to the President, the withdrawal or modification of the concession, its suspension in whole or in part, or the establishment of import quotas, to the extent and for such time as may be necessary to prevent or remedy such injury.

"(c) When in the judgment of the Tariff Commission no sufficient reason exists for such a recommendation to the President it shall, after due investigation and hearings, make a finding in support of its denial of the application, setting forth the facts which have led to such conclusion. This finding shall set forth the level of duty below which, in the Commission's judgment, serious injury would occur or threaten.

"In arriving at a determination in the foregoing procedure the Tariff Commission shall deem a downward trend of production, employment and wages in the domestic industry concerned, or a decline in sales and a higher or growing inventory attributable in part to import competition, to be evidence of serious injury or a threat thereof."

On page 8, after line 6, to insert:

"Sec. 6. (a) No reduction in any rate of duty, or binding of any existing customs or

excise treatment, or other concession hereafter proclaimed under section 350 of the Tariff Act of 1930, as amended, shall be permitted to continue in effect when the product on which the concession has been granted is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such relatively increased quantities (compared to a representative period prior to the concession) as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

"(b) The President, as soon as practicable, shall take such action as may be necessary to bring trade agreements heretofore entered into under section 350 of the Tariff Act of 1930, as amended, into conformity with the policy established in subsection (a) of this section.

"On or before January 10, 1952, and every 6 months thereafter, the President shall report to the Congress on the action taken by him under this subsection.

"Sec. 7. (a) Upon the request of the President, upon resolution of either House of Congress, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon application of any interested party, the United States Tariff Commission shall make an investigation to determine whether any product upon which a concession has been granted under a trade agreement is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such relatively increased quantities (compared to a representative period prior to the concession) as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

"In the course of any such investigation, whenever it finds evidence of serious injury or threat of serious injury or whenever so directed by resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, the Tariff Commission shall hold hearings giving reasonable public notice thereof and shall afford reasonable opportunity for interested parties to be present, to produce evidence, and to be heard at such hearings.

"Should the Tariff Commission find, as the result of its investigation and hearings, that a product on which a concession has been granted is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported in such relatively increased quantities (compared to a representative period prior to the concession) as to cause or threaten serious injury to the domestic industry producing like or directly competitive products, it shall recommend to the President the withdrawal or modification of the concession, its suspension in whole or in part, or the establishment of import quotas, to the extent and for the time necessary to prevent or remedy such injury. Within 60 days, or sooner if the President has taken action under subsection (c) of this section, the Tariff Commission shall transmit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives an exact copy of its report and recommendations to the President.

"(b) In arriving at a determination in the foregoing procedure the Tariff Commission, without excluding other factors, shall take into consideration a downward trend of production, employment, prices, profits, or wages in the domestic industry concerned, or a decline in sales, an increase in imports, either actual or relative to domestic production, a higher or growing inventory, or a decline in the proportion of the domestic market supplied by domestic producers.

"(c) Upon receipt of the Tariff Commission's report of its investigation and hearings, the President may make such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry. If the President does not take such action within 60 days he shall immediately submit a report to the Committee on Ways and Means of the House and to the Committee on Finance of the Senate stating why he has not made such adjustments or modifications, or imposed such quotas.

"(d) When in the judgment of the Tariff Commission no sufficient reason exists for a recommendation to the President that a concession should be withdrawn or modified or a quota established, it shall make and publish a report stating its findings and conclusions."

On page 11, after line 20, to strike out:

"Sec. 8. Section 350 of the Tariff Act of 1930, as amended, is hereby amended by adding at the end thereof the following new subsection:

"(e) No reduced tariff or other concession resulting from a trade agreement entered into under this section shall apply with respect to any agricultural commodity for which price support is available to producers in the United States unless the sales prices (as determined from time to time by the Secretary of Agriculture) for the imported agricultural commodity within the United States after the application of such reduced tariff or other concession exceed the level such price support."

And on page 12, after line 7, to insert:

"Sec. 8. (a) In any case where the Secretary of Agriculture determines and reports to the President and to the Tariff Commission with regard to any agricultural commodity that due to the perishability of the commodity a condition exists requiring emergency treatment, the Tariff Commission shall make an immediate investigation under the provisions of section 22 of the Agricultural Adjustment Act, as amended, or under the provisions of section 7 of this Act to determine the facts and make recommendations to the President for such relief under those provisions as may be appropriate. The President may take immediate action however, without awaiting the recommendations of the Tariff Commission if in his judgment the emergency requires such action. In any case the report and findings of the Tariff Commission and the decision of the President shall be made at the earliest possible date and in any event not more than 20 calendar days after the submission of the case to the Tariff Commission.

"(b) Subsection (f) of section 22 of the Agricultural Adjustment Act, as amended, is hereby amended to read as follows:

"(f) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section."

"Sec. 9. (a) The second sentence of section 2 (a) of the act entitled 'An act to amend the Tariff Act of 1930,' approved June 12, 1934, as amended, is amended by striking out the word 'sections' and inserting in lieu thereof the word 'section' and by striking out 'and 516 (b).'

"(b) Subsection (c) of section 17 of the Customs Administrative Act of 1938, as amended, is hereby repealed.

"Sec. 10. The enactment of this act shall not be construed to determine or indicate the approval or disapproval by the Congress of the Executive Agreement known as the General Agreement on Tariffs and Trade."

Mr. NEELY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from West Virginia.



Mr. NEELY. Will the distinguished Senator from Georgia please turn to section 7, page 2, of the committee report and from his profound knowledge of the entire complicated subject of reciprocal trade agreements favor us with his opinion on the following: If a pottery or glass factory in West Virginia should be shut down because of irresistible foreign competition, would it be possible under the pending bill, if it should become a law, for the employees as well as the employer to have the Tariff Commission make the investigation required by the circumstances of the case?

Mr. GEORGE. Yes; entirely so, because it is expressly provided in this amendment that the application may be made by any interested party. Then the whole procedure under the escape clause comes into effect.

Mr. NEELY. Can the able Senator give us an estimate of the length of time required to obtain justifiable relief? Would it be a period of weeks, months, or years?

Mr. GEORGE. I think it is impossible to indicate the exact time; but under the procedure set forth it certainly ought to be made with considerable dispatch as compared with the procedure heretofore involved when an application was made invoking the escape clause in the Trade Agreements Act. More standards are provided. An effort is made in the escape clause to rationalize conditions as they actually are faced by our industries. Certain evidence is declared to be pertinent and may be admitted. It is not conclusive, and it is not exclusive of other evidence.

Among the standards set forth, it will be seen that the Tariff Commission, without excluding other factors, shall take into consideration the downward trend of production, employment, prices, profits, or wages in the domestic industry concerned, decline in sales, increase in imports, either actual or relative to domestic production, a higher or growing inventory, or a decline in the proportion of the domestic market supplied by the domestic producer. The bill provides that the escape clause may be invoked by either the House or the Senate, or by the Finance Committee of the Senate, or the Ways and Means Committee of the House, or by the Tariff Commission itself, and especially by any interested party to a trade agreement.

So it seems that at least it would be possible to contemplate a reasonable determination of the question and a reasonably early decision. I believe that such a result may with justification be expected.

Mr. NEELY. Does the distinguished Senator believe that if the bill should be enacted into law, the duration of a trade agreement injury to a glass factory or pottery would be reduced as much as 50 percent?

Mr. GEORGE. I think so. I think it would be quite possible to reduce the time, and to arrive at a final decision with reasonable dispatch.

Mr. NEELY. I sincerely thank the Senator from Georgia for the encouraging information he has most courteously supplied.

#### PRESIDENT'S POWER ABSOLUTE

Mr. MALONE. Mr. President, will the Senator yield?

Mr. GEORGE. I was about to yield the floor.

Mr. MALONE. I should like to ask the distinguished Senator from Georgia a question.

Mr. GEORGE. I yield.

Mr. MALONE. The committee amendments have already been adopted by the Senate. Does the bill, regardless of any of the amendments which were reported by the committee and which have been adopted, leave the matter of trade agreements to the discretion of the President, in the same manner as was true before the inclusion of the amendments? That is to say, if the President wishes to exercise his discretion and proceed with a trade agreement, without regard to the amendments, is it true that he may do so?

Mr. GEORGE. I think if the Senator will carefully notice the peril-point amendment, he will see that the discretion of the President is pretty severely restricted. There is no absolute discretion to disregard the findings of the Tariff Commission. With respect to that particular matter, if the President does not follow the recommendation of the Tariff Commission he must submit his report to the two tax committees of the Congress—and that means to the Congress, of course.

Mr. MALONE. Then, if he exercises his discretion and proceeds with a trade agreement, he may do so within the limits of the 50-percent reduction allowed him—the second 50 percent meaning approximately 75-percent over-all.

Mr. GEORGE. That is true. Nevertheless, his discretion is considerably limited and restricted by this amendment, and is intended to be. It is further definitely restricted, as I see it, by the escape clause which has been inserted in this bill, because under the escape clause it would be quite possible for an industry actually threatened with an injury to escape. So I think when we consider all the amendments, we have placed a considerable restriction upon the power of the President to proceed arbitrarily—if it is assumed that he would proceed arbitrarily in fixing tariffs.

Mr. MALONE. It is an embarrassment rather than a restriction upon his going ahead, is it not? In other words, he may go ahead if he wishes to do so, but he must write a letter to Congress or to the committees explaining his stand, if he exceeds the peril points set by the Tariff Commission.

Mr. GEORGE. He must not only make a report, if he does disregard the peril-point provision, for example, but under the amendments the way has been opened, as I believe experience will demonstrate, for rather wide congressional action in the future in dealing with tariffs. It is true that the power would still rest in the President.

Mr. MALONE. The absolute power, that is?

Mr. GEORGE. Yes; that is correct.

Mr. MALONE. What would be opened up in the future for congressional

action? Is it not correct to say that if we were to extend the act for two more years it would be opened up at the end of 2 years, and that is all?

Mr. GEORGE. The committee has recommended that the act be extended for 2 years only. The House recommended a 3-year extension.

Mr. MALONE. Yes; I understand. Of course, Congress could repeal the act at any time within the 2 years, I suppose. However, under the bill there would be no opening up until the 2 years had expired. Is that correct?

Mr. GEORGE. I did not quite understand the Senator's question.

Mr. MALONE. The Senator said that the way would be opened up for legislative action by Congress. The way would be opened only at the expiration of 2 years, in the same manner that it was opened at the expiration of the 3 years, when the act was formerly extended.

Mr. GEORGE. I wish to invite the Senator's attention to a very important fact. Under the pending bill Congress would be able to initiate an escape clause action. It is a very important consideration. Such power would be placed in the hands of Congress. In certain other respects, particularly with reference to the Soviet Union and its satellite countries, the provisions of the bill would enable Congress to act, whereas at the present time it could not act without some embarrassment, at least, or hindrance.

Mr. MALONE. Mr. President, if the distinguished Senator from Georgia will yield further, I believe he has now arrived at the result of the committee amendments, namely, that it would embarrass the President, or, at least, it would embarrass an ordinary President. Certainly there is no record of any embarrassment to the present President.

Mr. GEORGE. I did not use the word "embarrassment" in connection with the President. I said that under the provisions of the bill with respect to the Soviet group there might be a legislative remedy which, under existing law, Congress itself would not feel free to apply because of the existence of outstanding trade agreements which had been entered into. I was not referring to the President.

Mr. MALONE. We are talking about trade agreements. There are two categories of trade agreements. One category refers to trade agreements which have been made by the other countries of the world with Russia, under which they have been arming Russia and the satellite nations for the past 3 years at our expense. I presume the Senator from Georgia is referring to the trade agreements negotiated under the Trade Agreements Act of 1934.

Mr. GEORGE. That is correct.

Mr. MALONE. If a movement were initiated by Congress under the escape clause, would the President be required finally to enforce the escape clause? Is there any such provision in the pending bill?

Mr. GEORGE. No; there is not.

Mr. MALONE. In other words, Congress could initiate an action but could not carry it through if the President did not approve?

Mr. GEORGE. He could stop it, but the action would be reported to Congress.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MILLIKIN. I suggest that if the President did not give reasons which were satisfactory to Congress it could take the situation into its own hands and itself afford relief, which would have quite a deterrent effect on arbitrary action by the White House.

Mr. GEORGE. I thank the Senator from Colorado very much. His statement is entirely correct under the provisions of the pending bill.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. GEORGE. I yield.

Mr. MALONE. I believe there are a great many actions which Congress could take to correct an action taken by the Chief Executive. We have recently gone through such an experience. I do not believe the Senator will say it has been his observation that the President is easily embarrassed or easily scared when he thinks he has a policy.

In addition any legislation amending the act or affording relief independent of the President would have to be passed over his veto.

Mr. GEORGE. I am not discussing that point.

Mr. MALONE. The distinguished Senator from Colorado [Mr. MILLIKIN], injected that note.

Mr. GEORGE. Since, when application has been made invoking the escape clause, the way is opened for Congress to have a report from the President and his reasons, I assume that if he declines to follow the recommendations made, inasmuch as Congress would be free to act on them, it would be a very definite limitation upon the power of the President to disregard the recommendations for the escape clause.

Mr. MALONE. Mr. President, if the Senator will yield further, he will remember, I am sure, that for at least the 4 years during which the junior Senator from Nevada has been a member of this distinguished body the President has annually sent recommendations for this trick legislation. Now it is stated that the recommendation for the International Trade Organization, the ITO, has been abandoned. The junior Senator from Nevada doubts that it has been. However, if it has been abandoned, it is a fact that recommendation for passage had been on the President's "must" list for the past 4 years.

Mr. GEORGE. The committee has been advised that it has been abandoned; that is to say, that we would not be asked to approve it in any way.

#### ITO ADOPTED UNDER GATT

Mr. MALONE. The distinguished Senator from Georgia is aware of the fact that the fourth chapter of the International Trade Organization has now been adopted under GATT, the General Agreement on Tariffs and Trade, insofar as it can be adopted without further congressional action, which is a long way I assure the Senator from Georgia. Therefore the necessity for the trade

agreements themselves perhaps has largely disappeared.

Mr. GEORGE. Let me say to the Senator from Nevada that I do not want to get into a discussion of that subject, because it is highly involved and probably would promote lengthy debate. However, GATT has been only provisionally accepted and only to the extent that it is consistent with our law. I believe that under the amendments we are trying to rationalize the trade agreements program, for reasons I think the Senator himself would consider to be very valid reasons. We are trying to work out a program which will transfer tariff making to the agreement side rather than leave it to the purely political considerations involved.

#### THE PRESIDENT HAS LAST WORD

Mr. MALONE. Mr. President, if the Senator will yield further, what it really boils down to in the last analysis is that the pending bill, including the committee amendments, does leave the power to act at the discretion of the President of the United States, the executive branch. This, judging by the manner in which the administration of the trade-agreement program has been handled, would mean that the Secretary of State would have the absolute last word as to whether or not the Government would go ahead with additional trade treaties.

Mr. GEORGE. That of course would be true so far as the President is concerned. However, by the amendments with reference to the peril point and the escape clause, there is placed a rather definite limitation, as I see it, not upon the absolute power of the President to act, but upon the making of that power effective as against the will of Congress.

#### ONLY SUGGESTED BY CONGRESS

Mr. MALONE. If the Senator will yield further, let me say that then it is a matter which is suggested to the Congress. There is nothing in the bill or in the amendments is there, to require the President to do anything except make reports and write letters?

Mr. GEORGE. No; more than writing letters is required. When the peril points have been prescribed by the Tariff Commission, the President may disregard the Commission's recommendations, but then he must transmit to the Congress his reasons for doing so; and, of course, that means that the Congress has some further power of action. In a case where the peril point is invoked either by the House or by the Senate or by the taxing committees of the two Houses or by an interested party, the inquiry must be made by the Tariff Commission; and if the President again disregards the recommendations of the Tariff Commission, his reasons for doing so must be transmitted to the Congress; and, of course, the Congress then has the power to act.

So I think there is a limitation upon an absolute power, although the power actually is in the President to take final action.

Mr. MALONE. I agree thoroughly with the Senator that the President has final and conclusive power.

Mr. GEORGE. I do not say he has conclusive power; I think he has not.

Mr. MALONE. It is conclusive without further legislation.

Mr. President, if the Senator will yield further, let me ask another question. In order for Congress to amend the act, Congress would have to override a Presidential veto, would it not?

Mr. GEORGE. That is true; but such a thing has been done.

Mr. MALONE. It has not been done recently.

Mr. GEORGE. Mr. President, I yield the floor.

#### TRADE AGREEMENTS ACT EXTENDS POWER OVER DOMESTIC ECONOMY

Mr. MALONE. Mr. President, House bill 1612, including the amendments adopted by the House of Representatives and the amendments reported by the Senate Finance Committee, is, when boiled down to its essentials, a proposal for an extension for a 2-year period of the absolute power of life or death over the workingmen and investors of this Nation by a thoroughly discredited Secretary of State.

Under the 1934 Trade Agreements Act, as carried out by the State Department, a part of the executive branch of this Government, the regulation of our national economy, through regulation of our foreign commerce, is a subject of international negotiation, instead of being a matter handled by the legislative branch of the Government, as the Constitution directs. The act still provides for regulation of our foreign commerce by the executive branch of the Government in direct contravention of the Constitution.

#### SURRENDER OF CONGRESSIONAL POWER NOT BELIEVED LEGAL

Mr. President, there has been considerable doubt whether Congress has authority under the Constitution to transfer the power to regulate foreign commerce to the executive branch of the Government, and then, through international agreements, trade treaties, and other actions by the executive branch, to an international tribunal, even if that is not composed of a definite number of nations, as would have been the case under the International Trade Organization.

The GATT is almost as definite in respect to tariffs as the ITO would have been.

#### LET US CONSIDER THE CITIZENS AND TAXPAYERS

Mr. President, unaccustomed as the Senate has become to dealing with national issues within the legal and ethical framework of our Constitution, I cannot refrain from making a plea on behalf of the citizens of the United States—the 150,000,000 people who look to us to safeguard their welfare and who make the sacrifices incident to supporting their Federal Government and its activities.

I am well aware that it has become naive to concern oneself with the plight of the American workingman and the American taxpayer, just as it has become naive to place the interests of America



anywhere but at the bottom of the international donation list. But my conscience will not permit me to remain silent when the strength and prosperity of America are in jeopardy. "Jeopardy" is the right word to use in describing the situation brought about by the so-called Reciprocal Trade Act.

#### RECIPROCITY IS NONEXISTENT

Mr. President, there is no such thing as a Reciprocal Trade Act. There never has been, and the act does not operate in that manner. The phrase "reciprocal trade" does not occur in the act, and there is no indication that it was meant to be known as a matter of fact to bring about reciprocal trade.

#### TWO NATIONAL OBJECTIVES

It is no secret that most of the peaceful nations of the world have two conflicting objectives: First, they wish to safeguard their national liberty and sovereignty with the aid of America's industrial productivity; at the same time, they wish to better their own economic condition by underbidding American workers and American producers in their own backyard.

Both of these objectives are perfectly natural, and every nation should be allowed to compete in the world market, but they should not be allowed to compete unfairly.

I am going to be naive in another matter.

#### TEMPORARY LEGISLATION BECOMES PERMANENT AND FREEDOM TAKES A STEP BACK

I am going to assume that in our legislation the word "temporary" means temporary, the word "emergency" means emergency, and the word "expiration" means expiration.

There is little justification for my believing that these words really have those meanings, because I fail to recall a single piece of important emergency legislation passed since 1932, except the OPA Act, that has been temporary or has been allowed to expire on the day allotted for its interment.

Virtually every one of these acts has involved abandonment of constitutional responsibility on the part of the House and the Senate and has transformed it into arbitrary power in the hands of the administration.

The question as to whether some of these have been used wisely by the bureaus and by the White House has nothing to do with the basic error involved in their surrender by the people's elected representatives.

Liberty is far more easily surrendered to bureaucracy than it is recaptured. That truth should be apparent to the Senate after 18 years, Mr. President.

It is exciting and dramatic to surrender a liberty in an atmosphere of emergency and crisis. It is just plain hard, tedious work to mount the formidable force that is required to regain it. Power-hungry administrations know this, and rely upon the inertia and preoccupation of the legislative branch to leave their power intact.

However, as expressed in the old axiom, "A journey of a thousand miles begins with one step," and I propose that we take the first step now on the long

journey back to the constitutional administration of our Nation, which would be an easy step to take; namely, to allow the 1934 Trade Agreements Act to expire on its allotted death day, June 12, next.

#### WHAT IS INTERNATIONAL TRADE?

I should like to say a few things about the nature of international trade.

These are obvious things, but they are easily overlooked in the confusion. In the first place, money has nothing to do with international trade. It is merely an exchange of natural resources and labor.

When any article is imported into the United States, we are importing as much unemployment as is represented in the manufacture of the article. By the same token, when something is exported from the United States, it means that some other nation is importing the amount of unemployment represented by the labor that has gone into its production. The dollar signs, the pound sterling signs, and the franc signs, that are used to measure exports and imports, do not tell the truth about the amount of employment that is involved.

Every nation tries to import its unemployment into other nations, but these efforts are not important if competition is on a fair basis. By a fair basis we mean that the other country hires our workers to make the exports to the same extent that we hire their workers.

The yardstick is the standard of living within the trading nations. The United States long ago outlawed the sweat shop within its borders, but the 1934 Trade Agreements Act reinstated sweat shop competition in the American economy.

#### AMERICAN INDUSTRY NO LONGER SUPREME

The time has passed when America is supreme in production. The power tools and the know-how that generated our strength—and, incidentally, which would never have come into being had it not been for the protection of American industry against foreign competition—are now becoming commonplace in most industrialized countries.

There is a world-wide wave of economic nationalism which is a result of the perfectly natural desire for every sovereign area to be economically self-sufficient. There is nothing wrong with this objective so long as it does not cripple the one country that must remain strong in order to preserve peace. It is completely unrealistic for us to regard our competitors as saints. As long as we are stupid enough to place ourselves voluntarily at a serious competitive disadvantage, we cannot expect them to refrain from cashing in.

#### AMERICAN RESOURCES NOT INEXHAUSTIBLE

There are many Americans—and there are apparently some in this chamber—who believe that American wealth and resources are inexhaustible; that we are the strong man whom no burden could crush. That is utter nonsense, "the bigger they are, the harder they fall."

I do not believe that anyone who supports free trade or its subtle variations would consciously give aid and comfort to the Kremlin, but there can be no doubt that anything that reduces America's

economic self-sufficiency strengthens the enemy.

I have just as much sympathy and feeling of charity for the less-privileged nations as anyone has, but I have more sympathy for my own country. Charity begins at home, and the time has come to stop a form of charity that has become a racket.

Although wars are always unfortunate, America has been at least partially fortunate in that war emergencies have so disrupted the normal flow of trade as to prevent the full impact of this give-away scheme from falling upon the American economy. It is the sword hanging by the horsehair. We must remove it before it falls.

#### AMENDMENT NO. 1

Mr. President, I desire to call up amendment numbered 1, which would substitute the Flexible Import Fee bill for the pending bill.

Before asking that the amendment be read, I wish to state categorically that any action under the bill including all amendments is still at the discretion of the president.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Does the Senator desire at this time to offer the amendment in the nature of a substitute?

Mr. MALONE. I do. I shall ask unanimous consent to have the substitute considered at this time.

The PRESIDING OFFICER. It is in order to consider it. As there is no other amendment pending, it is unnecessary to obtain unanimous consent.

The Senator may offer the amendment. Does he desire to have it read and printed in the Record?

Mr. MALONE. Before it is read and printed in the Record, I desire to make a statement.

The PRESIDING OFFICER. The Senator from Nevada may proceed.

#### AMENDMENTS LEAVE TOO MUCH POWER TO PRESIDENT

Mr. MALONE. Mr. President, I may say categorically that all amendments to the original act, including the escape clause and the so-called peril-point provision are effective only at the discretion of the President, and in no other manner. The effect of the legislation has not changed.

The argument has been made that without an extension of the 1934 Trade Agreements Act for two years, or for any other stated interval, the manufacturers, the workers and the investors who are now affected by the trade agreements which have been made heretofore would be without a remedy.

#### SENATE BILL 1040 PROVIDED NEW ESCAPE CLAUSE

The Finance Committee of the Senate had before it the broadened escape clause. The committee could as well have reported it as a substitute for House bill 1612 as to have reported the escape clause amendment. A substitute bill was introduced by the junior Senator from Nevada and was before the Senate Finance Committee as Senate bill 1040. Since this bill, S. 1040, was not reported out, I introduced an amendment to H. R. 1612 which will have a similar effect. I shall ask this amendment to be called up at a later date.

Mr. President, I ask that my amendment in the nature of a substitute be read.

The PRESIDING OFFICER. The clerk will read the amendment in the nature of a substitute, offered by the Senator from Nevada.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

#### DECLARATION OF POLICY

SEC. 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supply the needs of the United States economy;

(b) to foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports;

(c) to develop and promote a well-balanced, integrated, and diversified production within the United States so as to maintain a sound and prosperous national economy and a high level of wages and employment in industry and agriculture;

(d) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(e) to assure the accomplishment of these objectives by returning to and maintaining hereafter in the United States the control over American import duties now subject to international agreements.

#### RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on June 30, 1951, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise.

#### FORMATION OF FOREIGN TRADE AUTHORITY

SEC. 3. Title III, part II, section 330, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 330. Organization of the Foreign Trade Authority.

"(a) Membership: The United States Tariff Commission shall be reorganized and reconstituted as the Foreign Trade Authority (hereinafter referred to as the 'Authority') to be composed of six Directors to be hereafter appointed by the President by and with the advice and consent of the Senate. The original Directors of the Authority shall be the same persons now serving as Commissioners of the United States Tariff Commission, each such person to serve as a Director of the Authority until the date when his term of office as a Commissioner of the United States Tariff Commission would have expired. Thereafter the term of office of any successor to any such Director shall expire 6 years from the date of the expiration of the term for which his predecessor was appointed except that a Director appointed to fill a vacancy occurring for any reason other than the expiration of a term as herein provided shall be appointed only for the remainder of the term which his predecessor would otherwise have served. Directors shall be eligible for appointment to succeed themselves if otherwise qualified therefor. No person shall be eligible for appointment as a Director unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of this act. Not more than three of the Directors shall be members of the same political party, and in making appointments

members of different political parties shall be appointed alternately as nearly as may be practicable.

"(b) Chairman, Vice Chairman, and salary: The President shall annually designate one of the Directors as Chairman and one as Vice Chairman of the Authority. The Vice Chairman shall act as Chairman in case of absence or disability of the Chairman. A majority of the Directors in office shall constitute a quorum, but the Authority may function notwithstanding vacancies. Each Director shall receive a salary of \$15,000 a year. No Director shall actively engage in any business, vocation, or employment other than that of serving as a Director."

#### APPOINTMENT OF SECRETARY

SEC. 4. Title III, part II, section 331 (a), of the Tariff Act of 1930 is hereby amended to read as follows:

"(a) Personnel: The Authority shall appoint a secretary who shall receive compensation in accordance with the Classification Act of 1949, and the Authority is hereby empowered to employ and, in accordance with the Classification Act of 1949, fix the compensations of such special experts, examiners, clerks, and other employees of the Authority as it may find necessary for the proper performance of its duties."

#### ADMINISTRATION OF TRADE AGREEMENTS

SEC. 5. Title III, part II, of the Tariff Act of 1930 is amended by adding at the end of section 331 the following new section:

"SEC. 331A. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of the Tariff Act of 1930 are hereby transferred to, and shall be exercisable by the Authority, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Authority is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of the Tariff Act of 1930;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with the Tariff Act of 1930, as amended by this act."

#### PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 6. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties.

"(a) The Authority is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Authority finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a

reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Authority shall take into consideration, insofar as it finds it practicable—

"(1) the lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) the policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) the actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) the probable extent and duration of changes in production costs and practices.

"(7) the degree to which normal cost relationships may be affected by grants, subsidies, excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Authority either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however,* That no change in any import duty shall be ordered by the Authority until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Authority, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of the Tariff Act of 1930 or upon the United States value as defined in section 402 (e) of said act.

"(e) In order to carry out the purposes of this act, the Authority is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Authority shall become effective 90 days after such order is announced: *Provided,* That any such order is first submitted to Congress by the Authority and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Authority under this section which increases existing import duties on foreign articles if the Authority finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Authority, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on



the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(1) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Authority is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

#### AMENDMENT OF SECTION 337

SEC. 7. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the word "Authority."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Authority, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Authority, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Authority has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Authority may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Authority shall find

and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

#### CONTINUANCE OF PERSONNEL FUNDS, ACTIONS, AND SO FORTH

SEC. 8. Section 339 of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 339. Effect of enactment.

"(a) All personnel, property, records, balance of appropriations, allocations, and other funds available (or to be made available) to the United States Tariff Commission shall be transferred to the Authority for use in connection with the exercise of its functions; and such transfer shall not operate to change the status of the officers and employees transferred from the Commission to the Authority. No investigation or other proceeding pending before the Commission at such time shall abate by reason of such transfer but shall continue under the provisions of this act.

"(b) Wherever in the Tariff Act of 1930, or in any other law, the terms 'United States Tariff Commission' or 'Commission' occur, such terms shall be construed to mean the 'Foreign Trade Authority' and the 'Authority', respectively."

#### REAPPLICATION OF SECTION 516 (O)

SEC. 9. Section 17, subsection (c), of the act of June 25, 1938, chapter 679, is hereby repealed.

#### STATISTICAL ENUMERATION

SEC. 10. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Foreign Trade Authority is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce, as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

#### REVISED TEXT OF TARIFF ACT

SEC. 11. The Authority, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930, as amended.

#### EFFECTIVE DATE

SEC. 12. This act shall take effect as of June 30, 1951.

Amend the title so as to read: "A bill to amend the Tariff Act of 1930, and for other purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment, in the nature of a substitute, offered by the Senator from Nevada [Mr. MALONE].

(At this point Mr. MALONE yielded to Mr. WHERRY to enable him to ask Mr. GEORGE a number of questions concerning the bill, following which a message was received from the House announcing its action on the conference report on the supplemental appropriation bill, whereupon the conference report was considered by the Senate, and debate ensued, all of which appears at the conclusion of Mr. MALONE's speech.)

#### AMENDMENT 1 SUBSTITUTES FLEXIBLE IMPORT FEE PRINCIPLE FOR TRADE AGREEMENTS ACT

Mr. MALONE. Mr. President, the amendment offered by the Senator from Nevada—that is, an amendment in the nature of a substitute—would simply substitute the flexible import fee bill for the sharpshooting horse-trading methods used by the State Department.

Again, the junior Senator from Nevada would like to state categorically that there has been no change in the bill, so far as the discretion of the President of the United States is concerned, the discretion of continuing to make such trades as he has already concluded under three trade conferences, the last one of which was at Torquay, England.

#### AMENDMENTS DO NOT CHANGE BILL

I want to say again, categorically, that there has been no change, that the bill, with the amendments reported by the Finance Committee of the Senate, is simply suggestive of certain things to be done by the President, which, if he does not choose to do them, leaves the Senate of the United States with no remedy except to pass a bill amending the Trade Agreements Act; which would then, of course, have to be passed over the Presidential veto.

The reasons given by many Senators for supporting this bill include the argument that it is impossible to pass anything else, over a veto. That, to me, is no reason at all.

#### SENATE HAS FOLLOWED ADMINISTRATION ADVICE

The Senate of the United States, since the junior Senator from Nevada has been a Member of it, has always accepted at face value legislation proposed by the administration, legislation coming to the Senate and to the House, as separate pieces of legislation, having no relation one to the other.

#### THE OBJECTIVE NEVER CHANGED

I want to say at this point, in my remarks, that, in the humble judgment of the Senator from Nevada, this is part of a well-thought-out scheme, and that the direction has never changed, from the beginning of the administration—not the beginning of Mr. Truman's administration, but beginning in 1934, when the act was first passed, which we are today debating.

The objective, the approach, has never changed, and the character and volume of the legislation coming across the floor of the Senate and the floor of the House has never changed.

#### PRESENT COURSE LEADS TO SOCIALISM

So, Mr. President, it is time that we added it up.

The junior Senator from Nevada has added it up several times in the past 4½ years. At this time there are at least five different approaches, all dovetailing to produce the objective of eventual socialization and nationalization of property in the United States of America.

We now have a socialistic government. There is a question as to how long we shall have to keep it, as to how to throw it off. We are following the British plan into complete socialization and nationalization of property.

## TO MAINTAIN IN POWER: CONFISCATE PROPERTY

What are the various approaches, Mr. President? First, of course, it is recognized through 2,000 years of recorded history that whenever a ruler, a leader, or a dictator of a nation wanted to control his people thoroughly and completely, he took in all the material that was customarily used for money. On a desert island possibly the type of money used was a certain kind of shell. But whether it was that or some other kind of money, gold, or whatnot, it was taken over.

So, Mr. President, the first thing the administration did in 1934 was to remove the base from our money system and lock it up. Currency was then issued.

We hear a great deal of talk with reference to inflation and what a great effort the administration is making to prevent inflation.

Today is not the time to discuss that subject, but it will come, and very soon, because inflation is not being stopped, and no real attempt is being made to stop it.

With the base of our money gone, we printed for example, seven or eight billion dollars of new money last year, and there is a prospect of printing perhaps more this year.

The amount of money in circulation is a controlling factor in the inflation which we are encountering at the present time.

We are now directly dependent on greenbacks for money. They are not tied to anything.

## NEXT STEP: LOSE OUR TARIFFS

What was the next step? Next came the breaking down of our tariff and import-fee system which had made it possible to preserve our standard of living.

For 75 years we had adopted the principle, in different degrees, of building our standard of living upon a tariff or import-fee system which makes up the differential between the living standards where our competition was located and the living standards in this Nation.

Mr. President, when we trade, if we want to be fair about it without dislocation of industry, we trade an hour's labor in our country for an hour's labor in some other country. If there is a different standard of living in the nation with which we are trading, if it has less income per hour and different productive power, how is the difference made up? How has it been equalized?

For 75 years it has been equalized in the only way Congress knew how to do it, namely, by a tariff or an import fee.

## STEP 3: EXCESSIVE TAXATION

The next point, Mr. President, is taxation. We have legalized unlimited taxation through income and other taxes, including selling bonds and the resulting deficit financing.

## WE FINANCE OTHER GOVERNMENTS

We do that not only to operate our Government now, but to finance foreign governments.

In other words, we started out with our lend-lease plan; then UNRRA; a British gift-loan of three and three-

fourths billion dollars. We always call them loans to save our conscience, just as we are doing today in connection with the pending bill, trying to cushion a troubled conscience with the peril point and escape clause.

We are offering these amendments in the nature of suggestions to the President hoping to save our conscience while putting into the hands of a thoroughly discredited Secretary of State and his organization the fate of every working man and every investor in this Nation for two more years.

Then we had the Marshall plan, the ECA. As has been shown, we have been helping arm our enemies by means of those two great gift operations to foreign nations. Then point 4 is yet to come.

## STEP 4: SUBSIDIES

Next, Mr. President, there are subsidies to take the place of tariffs and import fees, all paid for by the taxpayers of America.

We break down the tariffs and import fees through an irresponsible State Department without any regard to the differential in the standards of living to which I have referred, and then as the market becomes glutted with certain types of products, principally agricultural products, we vote a subsidy to take the place of the differential.

So, in reality, without any tariff or import fee to prevent imports from coming into this country under a fair and reasonable competitive standard, we just buy up the products; we stabilize the prices of foreign nations' agricultural products along with our own.

## STEP 5: SECURITIES AND EXCHANGE COMMISSION

We have a Securities and Exchange Commission which makes it impossible to sell stock in a new enterprise or to invest venture capital in a new enterprise unless certain hand-raised economists and engineers give the word.

Generally speaking, only the hand-raised engineers and economists can remain in office for any length of time, because the others get disgusted with the sharpshooting programs.

They say that if one is going to sell stock in a mine or other enterprise, he must know that the ore is there and that it will be profitable.

If a man is going to sell stock in some other enterprise, they must know that it will be a profitable enterprise.

It is their judgment that must be exercised ahead of time, not just the fact that a person selling stock is telling the truth to the person to whom he undertakes to sell the stock. That used to be sufficient but not for the SEC—therefore private venture investment capital is discouraged.

## NORMAL ECONOMY CANNOT BE SUSTAINED

Mr. President, with those five approaches, the economy of this Nation is weakened and largely dependent upon subsidies and Government capital—or special Government concessions.

I make the statement now that it will be well known that we are in an emergency economy. To some persons it was well known 2 or 3 or 4 years after it started that that would be the result. We say we want peace. Mr. President, our economy would not stand up under

the peace for which we all are praying. We could not exist 60 days if we had the peace. Our economy would crumble through the impact of the sweat-shop-labor competition.

## NEED FOR GOVERNMENT "PARTNERSHIP" INCREASING

Mr. President, our hotels are filled with industrialists and others who have come to get taxpayers' money to invest in the new and enlarged plants which are needed for defense purposes. Why? The floor under wages and investments has been destroyed. Therefore they are taking no chances. They lost the investment in World War II, and now they are taking a leaf out of the book of the Government itself and getting the money from the taxpayers, through the Treasury of the United States, to finance the necessary industries, so they will lose the taxpayers' money, not their own.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. MALONE. I shall be very glad to yield for a question.

Mr. WHERRY. If I correctly understood the statement made by the Senator from Nevada a few moments ago, he feels that through the life of the Reciprocal Trade Agreements Act and the extension of it, recipient nations can produce goods and sell them in our market at prices which will make it favorable for them to send them to this country. In that way the workers in those countries are in competition with our own employed labor in this country. Is that correct?

## MANY PRESENT TARIFFS ALREADY BELOW PERIL POINTS

Mr. MALONE. That is entirely true. Practically all the tariffs which have been tampered with are now below what is known as the peril point.

They are below the differential of cost of production, largely due to the differential in the standard-of-living cost.

An hour of labor abroad produces more in proportion to its cost than the labor here. There being no effective equalizer, then the product comes in and the labor represented in that product displaces the labor here, unless, through subsidies, which we have paid certain industries, we temporarily hold the economic structure until we get ready to let it go.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. MALONE. I am happy to yield.

Mr. WHERRY. Has the Senator explained the charts which are placed against the wall in the rear of the Senate Chamber?

Mr. MALONE. This might be a good time to do so.

## DISPLAYS EXPLAINED

Mr. WHERRY. One of the charts bears the following heading:

Comparative hourly earnings in manufacturing industries, United States and selected competitive countries.

I hope the Senator will give us an explanation of the point in which I am particularly interested. The first figure is that of the United States, \$1.41. Then there are two other figures, followed by England (U. K.) 39 cents. Does that mean that in competing industries, the



same products can be made in England at 39 cents an hour, which cost in the United States \$1.41 an hour?

#### COMPARATIVE WAGES—THREE CHARTS

Mr. MALONE. It means that men employed in manufacturing industries are employed in England at 39 cents per hour, in the United States at \$1.41 an hour, in Canada, at 92 cents an hour, in Australia, at 62 cents an hour; in Germany, at 29 cents an hour; in France, at 21 cents an hour; and in Japan, at 12 cents an hour.

What this actually means is that if they have the same machinery, if they have the same opportunity in the various countries, then the difference in the wage actually represents the difference in the cost of the imported product.

If the labor in the various countries is not as efficient, then the factor of efficiency enters into this differential in the wage. But it is in no case as much as the differential in the wage, especially since we have for the last several years been paying for machinery sent to these countries.

Mr. WHERRY. The question I next wish to ask deals with that point.

Mr. MALONE. I should like to continue that statement.

Mr. WHERRY. Excuse me.

#### TYPEWRITERS MADE IN JAPAN

Mr. MALONE. For example, Mr. James Rand is establishing a typewriter plant in Japan.

I do not know exactly what the hourly wage for workers in a typewriter plant is in New York, but I believe it is \$1.50 to \$2 an hour for skilled labor. In Japan such skilled labor is paid from 7 cents to 12 cents an hour.

It is true that ECA is not engaged in building up industries in Asia but UNRRA money was spent there. Mr. Rand has already transferred a factory to Scotland from New York.

Not only will that factory supply the market there, but will supply in part the market here. The result will be to displace labor in a similar factory in New York, as well as work to the disservice of the investor in the New York factory. Importations of typewriters into this country will affect other typewriter companies.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. MALONE. Yes.

#### EFFICIENCY OF LABOR OFTEN EQUAL TO UNITED STATES

Mr. WHERRY. In the case of the particular firm the Senator has mentioned, does it obtain production in Japan which is comparable to that in the United States? Or does the low wage paid in Japan mean that more persons must be employed in order to secure production equivalent to that in this country; that is, considering the production of one workman in the United States, must more persons be employed in the foreign country to produce the same amount?

The Senator has shown on the chart the hourly pay in various countries. Can employees in the United Kingdom, for example, produce at 39 cents an hour the same amount as employees in the

United States produce at \$1.41 an hour? Or is there a difference in the amount of work done per person in the various countries?

#### JAPANESE VERY EFFICIENT

Mr. MALONE. I will say that the Japanese workers are very efficient. The Japanese are just as efficient and just as productive if working on similar machines as are American workmen.

When a new factory is built in Japan by an American firm, machines of a similar kind to those used in American factories are installed, and the work is just as efficiently done as in this country.

Mr. WHERRY. Mr. President, will the Senator again yield?

Mr. MALONE. I yield.

Mr. WHERRY. I have not read the testimony which was given in the House committee. I have simply read the report of the Senate committee. I have not had time to read through all the hearings. Does organized labor in this country, let us say the American Federation of Labor and the Committee for Industrial Organizations, favor the extension of the Reciprocal Trade Agreements Act? It would seem to me that exploiting the manufacturing in various foreign countries, and bringing the production of the factories back as merchandise to sell in this country would bring foreign labor in direct competition with American labor. Therefore I ask the Senator if the labor organizations support the extension of Reciprocal Trade Agreements Act?

#### ORGANIZED LABOR IS WAKING UP

Mr. MALONE. Mr. President, they do not support it. I shall read some communications I have received from labor organizations on that subject. I will say that the CIO does support it nationally but a branch of the CIO in Pioche, Nev., sent me a resolution condemning free trade.

I will first read a letter sent me by organized labor in Reno, Nev., as follows:

#### RENO CENTRAL TRADES COUNCIL

DEAR SENATOR MALONE: This communication will serve to confirm our many recent conversations with regard to the resolution submitted by you to the Reno Central Trades and Labor Council.

In order to clarify this situation, please be advised that organized labor, in Reno as well as throughout the State of Nevada, as represented by the Nevada State Federation of Labor, is definitely opposed to the use of "cheap" labor as it concerns foreign countries coming into competition with the labor market of our own Nation. We definitely feel that anything we, of organized labor, can be in a position to do to correct a situation of this nature, will be most beneficial to our country, and, that through our action, we actually will be assisting to raise the standards of other countries. It will also protect the families, the manufacturers, the taxpayers, the businessmen, and in general, the entire Nation, as it will eliminate the placing of our business on a competitive basis with that of foreign countries who use "cheap" labor.

It is a policy of the American Federation of Labor, as well as all of its affiliates, to fight and work for better conditions and wages for its members. We therefore cannot condone the use of competitive labor, especially where same are employed under

substandard conditions as in some of the foreign countries of today.

Hoping that this communication will clarify the questions raised, and with personal regards, we remain,

Respectfully,

RENO CENTRAL TRADES

AND LABOR COUNCIL,

By ANGUS CAUBLE, President.

NEVADA STATE FEDERATION OF LABOR,

By HARRY A. DEPAOLI, State President.

#### AMERICAN FEDERATION OF LABOR

Mr. President, the following resolution was unanimously adopted by the American Federation of Labor at Houston, Tex., on September 22, 1950. The resolution is entitled "Unfair Foreign Competition."

RESOLUTIONS PASSED UNANIMOUSLY BY THE AMERICAN FEDERATION OF LABOR, HOUSTON, TEX., SEPTEMBER 22, 1950

#### UNFAIR FOREIGN COMPETITION

Resolution No. 11, by Delegates Harry H. Cook, Arthur J. O'Hara, Ivan T. Uncapher, Ernest A. Merighi, American Glass Workers' Union (p. 23, first day's proceedings).

Resolution No. 12, by Delegates James M. Duffy, Charles F. Jordan, Frank Duffy, Clarence Davis, National Brotherhood of Operative Potters (p. 24, first day's proceedings).

Whereas lower wages than those prevailing in the United States account for the principal competitive advantage enjoyed by foreign countries when they ship dutiable merchandise into our domestic market; and

Whereas these lower wage scales permit dutiable goods to be sold at lower prices in this country than our own producers can meet without reducing wages or curtailing employment; and

Whereas competitive imported goods that derive their sales advantage from lower wages are as destructive of our own labor standards as were sweatshop operators in this country before the adoption of a national minimum wage; and

Whereas our labor organizations have no means of organizing the workers overseas in an effort to raise their standards, and our minimum-wage laws do not extend beyond our own country; and

Whereas it is no more necessary that foreign exporters have a competitive advantage derived from low wages in order to sell in this market than it is for sweatshop operators to make a regular practice of grossly underselling fair employers in order to compete with them; and

Whereas a healthy import trade can be created upon a basis of fair competition—

That is exactly what the substitute provides. It lays down the principle of foreign trade on a basis of fair and reasonable competition.

#### Continuing:

Whereas a healthy import trade can be created upon a basis of fair competition and can, in fact, thus be expanded, just as the elimination of sweatshops in the domestic economy contributes to healthy economic expansion; and

Whereas limitations on imports need not be restrictive in order to create competitive parity but, on the contrary, by creating the basis of fair competition, would contribute to the growth of trade in the international field no less than fair competition does in the domestic; and

Whereas over 60 percent of the imports into this country are now and have long been free of duty because they represent goods in the production of which other countries enjoy a natural advantage of climate, soil, or resources and which are complementary to rather than competitive with, the output of our own factories; and

Whereas the remaining 40 percent of competitive imports, if unimpeded in any way, would leave our workers at the mercy of low-wage rivalry, a process that would have only one ultimate effect, namely, the impoverishment of our labor force; and

Whereas many members of unions affiliated with the American Federation of Labor know from direct and bitter experience the disastrous consequences of low-wage foreign competition which has not been properly offset by a rate of duty or other protective measure to insure its fairness: Therefore be it

*Resolved*, That the American Federation of Labor, while fully recognizing the many economic benefits of a healthy foreign trade, declare its disapproval of such competitive imports as derive their competitive advantage from low wages prevailing abroad, unless this unfair advantage is appropriately offset or guarded against to assure competitive parity; that the undermining of labor standards through wage competition on an international scale cannot be accepted as a legitimate form of economic improvement; that it is not necessary, as a condition of selling successfully in the United States, to offer goods at prices that substantially undercut the market; that the most healthy and voluminous trade can be built around fair competitive methods rather than seeking to base it upon price advantages that threaten loss of employment and reduction in wages; and, finally, that the American Federation of Labor express its concern over further tariff reductions that will expose our workers to unfair competition from foreign wages and thus undermine the wage standards built up in this country over the years.

#### TORQUAY CONFERENCE IN PROGRESS

That resolution was adopted on September 22, 1950. At that moment the Torquay negotiations had started, which resulted in the reduction or binding of the tariffs on approximately 3,000 products.

As the junior Senator from Nevada has already said, the tariffs are now almost without exception below any recognized peril point. How can a peril point be effective in that case. It cannot possibly affect anything that has gone before.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. WHERRY. Was that resolution adopted at the general annual convention held in Texas?

Mr. MALONE. It was adopted at the annual convention of the American Federation of Labor, held in Houston, Tex., on September 22, 1950.

Mr. WHERRY. Does the resolution represent the sentiment of all the unions in that organization?

Mr. MALONE. It represents every affiliated union within the American Federation of Labor in the United States of America.

Mr. WHERRY. Does the Senator know whether members of that organization testified before the House or Senate committees?

Mr. MALONE. I presume this resolution was introduced in evidence.

Mr. WHERRY. Does the Senator know whether or not any representatives testified?

Mr. MALONE. I am not informed as to that.

#### WHEN LABOR UNDERSTANDS THE IMPACT

Mr. President, to show the disposition of labor whenever it fully understands the impact of this proposal, I read a let-

ter signed by Doug Hawkins, president of the White Pine County Central Labor Council in Nevada, quoting a resolution adopted by that organization:

EAST ELY, NEV., January 19, 1950.

Senator MALONE,  
Senate Office Building,  
Washington, D. C.:

We call your attention to the following resolution adopted by the White Pine County Central Labor Council:

"Whereas the selective free trade policy is removing the floor from under American wages and investments, causing unemployment and loss of taxable property; and

"Whereas the haphazard lowering of the import fees and tariffs without regard to the differential of the cost of production, due largely to the difference in living standards of this country and foreign competitive nations, has severely injured the nonferrous-metal mining industry: Therefore be it

"Resolved, That a telegram be sent to each of our national Senators asking them to do what they can toward correcting this deplorable situation."

DOUG HAWKINS,  
President, White Pine County Central  
Labor Council.

#### FREE TRADE CLOSES INDUSTRIES

Mr. President, it is well known, it has been stated on the floor of the Senate many times, that the very policy we are seeking to extend for 2 years resulted in the closing of approximately 75 percent of the mines in the United States, affecting almost every State in the Union.

It was before the Korean police action resulting in the closing of a substantial part of the precision instrument, textile, chinaware, pottery, chemical, and many other industries.

I now read a letter from the International Association of Machinists, Local Lodge No. 705, Sparks, Nev., dated September 16, 1949:

Re flexible import fee.  
Hon. GEORGE W. MALONE,  
United States Senate, Washington, D. C.

Sir: The legislative committee of Local Lodge No. 705, International Association of Machinists, Sparks, Nev., reported favorably on the matter of the flexible import fee. Whereupon the membership unanimously instructed the legislative committee to inform you that Local Lodge No. 705, International Association of Machinists, Sparks, Nev., has gone on record in favor of the flexible import fee.

The legislative committee wishes to commend the Senator for his hard work and initiative.

Yours truly,  
LEGISLATIVE COMMITTEE,  
SATIRIOS SOUKAROS,  
Chairman.  
GEORGE H. SHELTON,  
JOHN L. ROBERTSON.

Mr. President, a letter from Pioche Union Local, No. 407, CIO, opposing free trade. The letter is addressed to the junior Senator from Nevada, and is dated January 17, 1950:

DEAR SIR: By unanimous vote, Pioche Union Local, No. 407, CIO, disapproves point 4 plan of the President which includes the International Trade Organization agreement and urge that you do everything possible to substitute flexible import fee as outlined in your talk at Pioche, Nev., on December 15, 1949.

Yours truly,  
THOMAS L. HUTCHINGS,  
President, Local No. 407.

Local No. 407, CIO, at Pioche, is a branch of the National CIO, which has approved free trade.

#### COMPARATIVE PRICES OF SEWING MACHINES

In direct answer to the distinguished Senator from Nebraska as to the prices of imported articles, I have before me two sewing machines. The one on my right is a Domestic; at least it is an American-made sewing machine. The other is a machine made in Japan.

The American machine sells at a price of \$109.95.

The Japanese-made machine, which does exactly the same thing, sells for a price upward of \$49. The only difference between the machines is in the wages paid to its makers, as between the wages of skilled labor in Japan and wages of skilled labor in America. I am given to understand that there is not much difference in the efficiency of their work. The difference in wages represents the difference between 90 cents a day paid the Japanese workmen, and the rate of \$15.50 daily that is paid to the American workman. The difference in the prices of the two machines is almost in exactly the same proportion.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield.

Mr. WHERRY. Are the sewing machines electric machines?

Mr. MALONE. They are.

Mr. WHERRY. I should like to ask the distinguished Senator from Nevada whether he knows what wage per hour was paid in the factory which manufactured the machine that is labeled "Sorite."

Mr. MALONE. It is manufactured by the Sorite Sewing Machine Co.

Mr. WHERRY. Is that a Japanese company?

Mr. MALONE. Yes.

Mr. WHERRY. Is it an American institution which has gone to Japan?

Mr. MALONE. No; I believe it is a Japanese institution.

Mr. WHERRY. Does the Senator know what wage was paid by the Japanese company?

Mr. MALONE. About 12 cents an hour.

Mr. WHERRY. What is the name of the other machine?

Mr. MALONE. I believe it is a "Domestic." It is American made.

Mr. WHERRY. Does the Senator know what wages per hour were paid to manufacture the American machine?

Mr. MALONE. Based on an 8-hour day the wages would be \$15.50 a day.

Mr. WHERRY. What would that amount to per hour?

Mr. MALONE. It would be about \$1.94 an hour.

Mr. WHERRY. Is the Japanese machine being sold in the United States?

Mr. MALONE. It is.

Mr. WHERRY. Does the Senator know what the price of it is? What is it being sold for in the United States?

Mr. MALONE. It is sold for whatever they can get for it, but the wholesale price, imported, is about \$21.

Mr. WHERRY. There must be a price on it.



Mr. MALONE. An advertisement appeared in the newspapers—

Mr. WHERRY. Let me withdraw the question and ask another one. What duty was paid on the machine which was manufactured in Japan?

Mr. MALONE. A 10-percent duty.

Mr. WHERRY. Ten percent on what?

Mr. MALONE. On the cost of its manufacture in Japan.

Mr. WHERRY. Which is \$17.50; is that correct?

Mr. MALONE. Yes; about \$21.

Mr. WHERRY. So 10 percent of \$17 is added, and the total is the cost of the machine in the United States, plus the cost of transportation. Is that correct?

Mr. MALONE. Yes; 10 percent of \$21.

Mr. WHERRY. What is the price of the machine as it is sold in the United States?

Mr. MALONE. Ordinarily 100 percent above that. It is common practice in the trade. It is around 100 percent or 75 percent. It would make the price approximately \$50. The American machine sells for about \$110.

Mr. WHERRY. The Senator is referring to the American machine on the desk?

Mr. MALONE. Yes.

Mr. WHERRY. So there is a difference of nearly \$75?

Mr. MALONE. Yes.

Mr. WHERRY. That is the difference in price between the two machines?

Mr. MALONE. That would be approximately right.

Mr. WHERRY. The distinguished Senator says that both machines do the same kind of work?

Mr. MALONE. I am so informed by the retailer who brought both machines to my office. He told me that one will do the work of the other.

Mr. WHERRY. The same retailer sells both machines?

Mr. MALONE. No; the same retailer does not sell both machines. He was able to secure both machines.

Mr. WHERRY. Is the Japanese manufactured machine in direct competition with the American machine?

Mr. MALONE. It is in direct competition with the American-made machine.

Mr. WHERRY. Is it sold alongside the American machine?

Mr. MALONE. Yes.

Mr. WHERRY. Is the financing of it similar to the financing of the American machine?

Mr. MALONE. I cannot say as to that. The Japanese manufacturers utilize American retailers. However, the manufacture of it in Japan is financed in Japan.

Mr. WHERRY. But the retail sale is handled in the same way.

Mr. MALONE. Oh, yes.

Mr. WHERRY. So on a competitive basis there is no difference except the price.

Mr. MALONE. No difference at all in the sale of the machine except the price.

Mr. WHERRY. What about the warranty or guaranty?

Mr. MALONE. That I cannot tell. I presume it is practically the same, be-

cause they are sold on the same basis. However, I am not sure of that. I shall try to get the information and insert it in the RECORD.

#### TWO SCHOOLS OF THOUGHT

However, Mr. President, the point I wish to make, and the point which I have been making on the floor of the Senate for 4½ years, is that there is no way of competing on an even basis when such a big differential in wages exists throughout the world. In other words, there are two schools of thought on the subject. One school of thought, to which the junior Senator from Nevada subscribes, is that we should have a market in the United States for the goods of every nation of the world on a basis of fair and reasonable competition. What is a basis of fair and reasonable competition? Such a basis is provided by a tariff or import fee, which makes up the differential, does not prevent imports from coming in, and is fixed without any consideration of a high or low tariff, but on the basis that when goods are needed the goods can come in on a basis of fair and reasonable competition.

The other school of thought holds that we must buy our goods wherever we can buy them the cheapest. The administration subscribes to that school of thought. Of course that can only mean that goods will be bought where the labor is cheapest. Therefore there can be no possible doubt that anyone who is in favor of free trade in this country is in favor of the competition of the low-cost labor of Europe and Asia with the workers and investors of the United States of America. That will be the result if we follow the argument through to its logical conclusion. Workers are being led to believe that the administration is for the workers. They are being told: "We want labor to write its labor legislation." I say to the distinguished Senator from Nebraska that there is only one fair way for the labor standards and living standards of this country to be protected, and for us to protect our economy and preserve it so that we can take care of ourselves and at the same time defend some other parts of the world, whose safety may be of interest to us. And that is to have some way of preserving our standard of living in competition with other nations while we are helping other nations to raise their own standards.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. MALONE. I am happy to yield to the Senator from Nebraska.

Mr. WHERRY. I notice that several witnesses at the hearings have called attention to the fact that the peril-point provision would be of aid in helping to protect us against cheap competition. I recall very distinctly the action which was taken by the Eightieth Congress. The pending bill contains a peril-point provision, which, as was forcefully pointed out by the distinguished Senator from Georgia, covers also the importation of agricultural products. Likewise included in the pending bill there is an escape clause. Does the Senator from Nevada feel that the peril-point provision and the escape clause incorporated in the bill

would give the necessary protection to the industry and labor of our country on a competitive basis at this time?

#### PERIL POINT AND ESCAPE CLAUSE ARE A SALVE FOR CONSCIENCES

Mr. MALONE. Mr. President, I will say to the distinguished Senator from Nebraska that about all I can say for the peril-point provision and for the broadened escape clause is that they may be a substantial cushion for a troubled conscience. There is nothing in the act whatever which directs the President of the United States to do anything. I wish to read something from the RECORD which will show the distinguished Senator from Nebraska exactly what the policy of the administration is. If he believes that the peril-point provision will slacken the headlong plunge into one economic world and toward the idealistic objective of dividing the markets of this country, I would ask him to listen to one quotation from the RECORD.

The pronounced foreign policy program of the administration—often reaffirmed—was set down in detail by Assistant Secretary of State Willard H. Thorp, in his testimony before the House Ways and Means Committee in January of last year when he said:

The European recovery program (Marshall plan or ECA) extends immediate assistance on a short-term basis to put the European countries back on their feet.

The ECA appropriation is designed to make up the trade-balance deficits of the 16 Marshall-plan countries in cash and goods each year—our chief export is cash—until such time as the markets of this Nation have been divided with the European countries and our living standards lowered to those of such nations.

I continue to quote Mr. Thorp:

2. The trade agreements (act) program is an integral part of our over-all program for world economic recovery.

Under the Trade Agreements Act the markets of this Nation are being divided with the countries of the world to the point that theoretically there will be no further trade-balance deficits—in other words, no further need for ECA or the Marshall plan.

Let me ask the distinguished Senator from Nebraska how often has he heard on the floor of the Senate the statement that we must have these trade agreements, and that until such time as we can arrive at a division or proper balance of trade, we shall have to make up the difference in cash. Has not the Senator from Nebraska heard that statement made on this floor? I ask him that question.

Mr. WHERRY. Oh, yes; I have heard that observation made.

Mr. MALONE. Mr. President, I make this further comment on Mr. Thorp's testimony: Under the Trade Agreements Act the markets of this Nation are being divided with the countries of the world to the point where theoretically there will be no further trade balance deficits—the 1934 Trade Agreements Act as extended removed the floor under American wages and investments—and stopped the flow of venture capital into

the business stream of our Nation—the simple expedient of putting into the hands of the industrially inexperienced State Department the power to lower the tariffs and import fees approximately 75 percent after perfunctory hearings.

I continue to quote from Mr. Thorp's testimony:

3. The International Trade Organization upon which Congress will soon be asked to take favorable action, provides a long-term mechanism—each part of this program is important. Each contributes to an effective and consistent whole.

The Assistant Secretary of State and, I believe, other witnesses for the State Department testified that they did not intend to pursue the International Trade Organization. Why should they, inasmuch as the Torquay Conference and, even earlier, the General Agreements on Tariffs and Trade—GATT—adopted all the commercial policies of the International Trade Organization charter, contained in chapter IV, which did not need specific congressional action.

What did they include. As a part of what they include, we find the following, under six divisions:

- (a) Tariffs, preferences, and internal taxation and regulation.
- (b) Quantitative restrictions and related exchange matters.
- (c) Subsidies.
- (d) State trade and related matters.
- (e) General commercial provisions.
- (f) Special provisions.

#### GATT PROVISIONS TO REPLACE ITO

I read an explanation of section (a)—Tariffs, Preferences, and Internal Taxation Regulations:

ART. 16. This is the most-favored-nation clause by which every member is to be accorded the advantage, favor, privilege, or immunity, unconditionally, that any member accords to any other member with respect to customs, duties, charges on imports or exports, or international transfer of payments. But such obligation does not require the elimination of preferences which do not exceed the margins provided for in the General Agreements on Tariffs and Trade (Geneva 1947) and existing preferences among the following territories and countries:

Mr. President, I would call the attention of the distinguished Senator from Nebraska to the fact that the British Empire, the sterling-bloc countries, availed themselves of this very provision in GATT to avoid making tariff reductions. In other words, they had already made the trade agreements which were favorable to the British Empire; so, this time, instead of entering into other agreements which would have required some concessions on their part, they stayed out.

I refer to the 57 or 58 sterling-bloc countries, including, of course, Canada, India, and Australia, which means that under the most-favored-nation clause they have stayed out and have given nothing, but we make 39 or more bilateral treaties—later I shall state the exact number; and under the most-favored-nation clause the sterling-bloc countries get the advantage of everything we give any other country, without giving anything in return.

#### FALLACY OF FREE-TRADE PROGRAM

At this point, I wish to point out the fallacy of the entire program. It cannot be anything but free trade. If it had any merit, the most-favored-nation clause eliminates all possible fairness.

#### MEXICO AND MOST-FAVORED-NATION CLAUSE

For example, the trade agreement with Mexico, covering, among other things, lead, which we import from Mexico. However, Mexico decided that she wished to end that agreement in order to raise her tariffs; therefore, we canceled the agreement.

Subsequently, we made bilateral trade agreements with other nations covering the same products, including lead. Then, under the most-favored-nation clause, Mexico obtained the advantage of those agreements—in other words, the same advantages it had before; but this time Mexico gave us nothing in return. As a matter of fact, Mexico raised most of her tariffs on the commodities on which she had based her trade with us before.

#### TRADE AGREEMENT'S AUTHORITY MISUSED

The whole program patently is a fallacy and a subterfuge. It is one of the greatest hoaxes ever perpetrated on the American people, unless we consider the "dollar shortage" and some of the more famous sideline sales made to our people by the more ruthless foreign nations.

Our citizens give the money out of their taxes which we give to foreign countries, to permit them to use it in arming our enemies, thus enabling our enemies to kill our own boys. Therefore, perhaps the present trade program is not the greatest hoax ever perpetrated on the American people, but it is one of the greatest.

#### QUOTAS, EMBARGOES, SPECIFICATIONS, MANIPULATION OF CURRENCIES

Mr. President, I wish to point out a specific example of the administration of the 1934 Trade Agreements Act. This item is of intense interest at this time because of the debate now occurring on the proposed extension of the misnamed Reciprocal Trade Agreements Act.

There is nothing reciprocal about it.

#### AGREEMENTS TO LOWER TARIFFS

In the first place, the agreements are not trade agreements, but they are agreements to lower tariffs.

If the nations which are supposed to lower tariffs would live up to their agreement. However, to the contrary, although some raise their tariffs before they go into the conference, in any event, they soon invoke quotas, embargoes, specifications, manipulations of currency, and other known subterfuges by which they escape lowering their tariffs. This practice is followed by most of the nations except our own.

#### TARIFFS AND EXPORT TAXES FOR REVENUE

It was my good fortune to visit the Central American countries last year, and at that time to investigate their methods in manipulating their tariffs and other import fees. We went there primarily in connection with the program of Federal aid for roads. The United States had been furnishing most of the money for that purpose, and we

wished to know how the work was progressing. We found that, generally speaking, the people of the Central American countries who have money will not pay taxes, and, of course, the people of those countries who do not have money cannot pay taxes.

Therefore, if those countries are to get any money, naturally they have to get it from some other source. Thus they have tariffs and export taxes for revenue. The United States seems to be about the only country which has a taxing system by which revenue can be obtained immediately. Our Government seems to be the only government in the world that is efficient in the collection of income taxes, Great Britain excepted. We can reach the last stenographer 3,000 miles away from the Capitol for an extra \$2 a week in income taxes, with no effort at all.

#### MEXICO—AND MOST-FAVORED-NATION CLAUSE

The trade agreement with Mexico was terminated last year, because Mexico felt that she had to increase her tariff rates and discriminate against American imports in other ways.

In January of this year, therefore, new and higher tariff rates went into effect on most of the products which had been covered in the United States-Mexican trade agreements—this, following cancellation of the agreement, after the tariff increases by Mexico.

Since the beginning of this year the old 1930 tariff rates have been in effect. Mr. President, it is not only done in this manner, but when other countries ship anything into this country they have an export duty, which we do not have; and that, of course, means that we pay both ways.

We pay for sending our commodities into another country, and we pay for getting the commodities out of that country—commodities which we use.

Here is what the State Department has done at Torquay, England: the tariffs on most of the products covered in the extinct United States-Mexican agreement have been reduced in negotiations with countries other than Mexico, which was not represented at Torquay. In fact, most of the tariff rates on these products were not only reduced to the level which obtained during the term of the old trade agreement, but were reduced substantially below that point—that is, the tariffs were reduced below the agreed tariffs formerly in effect with Mexico.

This does not seem such unreasonable procedure until we take into consideration the fact that under the operation of the most-favored-nation clause Mexico is now again entitled to the lowered rates of duty—lower even than we had with them previously. Thus the effect of the termination of the Mexican trade agreement has been not only wiped out, but Mexico's relative position has substantially improved. In other words, Mexico raised the duties on the products imported into that country from the United States, and under the mismanagement of the State Department Mexico gets even lower duties on the material which he ships into our country, simply by the



process of first canceling the rates which she had made through a bilateral agreement, and then taking advantage of the most-favored-nation clause.

The legal basis for reducing the tariff rates on certain products covered in the old Mexican trade agreement below the rates then in effect is the permission, granted in the 1945 extension of the 1934 Trade Agreements Act, to reduce by up to 50 percent the tariffs in effect on January 1, 1945.

Let me give you one example: The Tariff Act of 1930 levies a duty of \$5.60 per ton of fluorspar containing more than 97 percent calcium fluoride. The trade agreement with Mexico reduced that rate to \$4.20 per ton.

In January 1951 the old rate of the 1930 Tariff Act again became effective. At Torquay the State Department in negotiations with Canada reduced the rate to \$2.10 per ton. The agreement rate with Mexico was \$4.20 per ton. The agreement with Canada reduced it to \$2.10 per ton. Therefore, despite the termination of the Mexican trade agreement, Mexican imports of fluorspar are dutiable at the new rate only. In other words, it is a reduction of one-half—50 percent—as against the \$4.20.

Also, due to the termination of the trade agreement with Mexico, the tariff on lead was increased from three-fourths of a cent per pound to one and one-half cents per pound on January 1, 1951. That was because the agreement with Mexico, which had first been reduced, was later canceled. Thus the 1930 tariff rate was reestablished. At Torquay the United States negotiated lead tariff reductions with Canada and Peru and again reduced the lead duty by 50 percent. The interesting fact is that in 1950, 224,000 tons of lead were imported from Mexico while Canada supplied 117,000 tons and Peru only 48,000 tons, but under the most-favored-nation clause Mexico would again supply the majority of lead imports into the United States at the low rate of duty, without giving any concession in return.

#### NEGLECT OF THE PRINCIPAL SUPPLIER RULE

Mr. President, I now desire to call the attention of the Senate to the fact that it is a trick of the State Department—and a trick is what it is—to take a nation which is more or less unimportant in respect to its exports to this country of a certain product, and make a treaty with that nation.

A case in point is that the total imports of lead from Mexico in 1950 were 223,611 short tons; from Peru, 48,000 short tons; and from Canada, 117,087 short tons. So what does the State Department do? The principal country exporting lead to the United States was Mexico. She, of course, wanted to get the concession, in order that they might not be bound by any agreement which they had made.

Our State Department goes to a little country which exported to our country 48,000 short tons. They reduced the tariff on lead by 50 percent, bringing it down again to three-fourths of a cent per pound, a concession of little importance to Peru. But to Mexico, it made a terrific difference.

If there is anything reciprocal about such a deal, the junior Senator from Nevada would be very glad to know about it.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MALONE. I am happy to yield to the Senator from Louisiana.

Mr. LONG. Can the Senator give us some idea as to what percentage of our over-all imports of lead, the 40,000 tons, shipped by Peru, represented?

Mr. MALONE. The imports of lead by the United States in 1950 totaled 540,756 short tons. From Peru we imported 48,000 short tons, which is a very insignificant amount.

Mr. LONG. It would be about 10 percent of the total amount imported by the United States from those three countries, would it not?

Mr. MALONE. Yes; about 10 percent.

Mr. LONG. Are we to understand that, in negotiating such an agreement, this Nation, at least theoretically, received some consideration from the nation of Peru for making the concession with regard to their lead exports to the United States?

#### PERU GAVE SMALL CONCESSION FOR SMALL BENEFIT

Mr. MALONE. Yes. However, the particular point I wanted to make was that they deliberately picked a country whose imports into this country were an insignificant amount of the particular item on which the agreement was made.

The advantage was immediately available to all other nations, including Mexico which was the only nation that had large exports of lead to us.

They wanted to cancel the agreement for the purpose of raising their duties but they still got the advantage of the reduction.

The Peruvian concession to the United States was tariff item 48, powdered milk.

Mr. LONG. As I understand the Senator, the agreement was negotiated with Peru whereby there was some consideration, insofar as that nation was concerned, but because of the most-favored-nations agreements with other nations, more than 90 percent of the lead gained the benefit of the reduction without the other nations making any concession to this Nation.

Mr. MALONE. That is the point.

Mr. LONG. I thank the Senator.

#### FOREIGN NATIONS ONLY GIVE SHAM BENEFITS

Mr. MALONE. The whole point is that the most-favored-nations clause destroys any equity that can possibly be presumed to be included in any such trade agreement, even should the nations of the world live up to their agreement. The distinguished Senator from Louisiana no doubt knows that they are not trade agreements, but are agreements to lower tariffs.

The foreign nations mostly defeat the effect of their agreements to lower tariffs through embargoes or quotas or the manipulation of the currency, as the British Commonwealth did.

Great Britain lowered the value of her money 30 percent, which had the immediate effect of lowering all our tariffs 30 percent, so far as the British Empire was

concerned. It is impossible to make trade agreements with nations which manipulate their currencies, as practically all of them do.

Mr. LONG. Is not the Senator's argument, then, basically, that instead of having an established agreement which would affect every nation, consideration should be given to the cost of living and to the items produced in various countries?

#### FAIR AND REASONABLE COMPETITION

Mr. MALONE. Yes. The junior Senator from Nevada believes we should establish a market for foreign nations' products on the principle of fair and reasonable competition. If we are considering the case of lead, we should establish a market on the basis of what the fair and reasonable competition would be where the wage paid to foreign miners may be \$1.50 to \$2.50 a day while we pay \$10 to \$11 a day wages in the mines.

#### EFFICIENT MACHINERY IS NOT UNITED STATES MONOPOLY

There seems to be the fallacious belief that less efficient machinery is used abroad. That is a fallacy which the press seems to have gained.

The junior Senator from Nevada spent some time in practically all these countries. As an example, I mention South Africa, where they have abundant deposits of chromite and manganese.

Any operation would utilize the latest machinery that can be purchased in the United States.

They would have well-trained superintendents and foremen, and pay the going wage of 40 cents a day to the common labor in South Africa.

It may require two or three of the local workmen to equal one workman in this country. They can pay six or seven of them and still have \$4 or \$5 left.

#### FACTORS AFFECTING FAIR AND REASONABLE COMPETITION

Mr. LONG. Do I correctly understand the Senator to contend that we should have a tariff which would bring about fair competition as to the commodities imported into this country. I would ask the Senator how he thinks that could be reconciled with the freight. If copper is produced in Arizona and sold, in competition, in New England, does the Senator think that imported copper should be equalized with the cost, plus the freight from Arizona to New England?

#### THE FOREIGN TRADE AUTHORITY—ICC

Mr. MALONE. Under the substitute which is offered to H. R. 1612, the Authority would operate in the same manner as the Interstate Commerce Commission, which has complete latitude in the fixing of freight rates for the carriers on the basis of a reasonable return on the investment. Under the substitute the principle of fair and reasonable competition is established, so that the factors affecting a particular commodity would be recognized.

Mr. LONG. In other words, if the copper were being consumed primarily in New England, then the Senator would agree that the market for the copper

would be the logical place to look for a determination as to the price of the commodity at that point?

#### ESTABLISHMENT OF IMPORT FEE BASED ON SEVERAL FACTORS

Mr. MALONE. That would be one of the factors.

The argument is made that we cannot ascertain the cost in Mexico or in South Africa or in England for example for comparative purposes. The proposed substitute includes a provision based on the landed duty-paid price. There is a provision which allows the authority to take into consideration an uneconomical operation, it does not have to take the highest cost price, but the price which it thinks is fair and reasonable.

#### CONSTITUTION SEPARATES NATIONAL ECONOMY FROM FOREIGN POLICY

Mr. President, the Constitution of the United States pointedly separates the regulation of the national economy from the regulation and fixing of foreign policy.

The regulation of the national economy is placed in the hands of the Congress of the United States, the legislative branch.

It places in the Congress the responsibility for the regulation of the national economy and jurisdiction over foreign commerce. The Constitution is very specific in that regard. The fixing of foreign policy is delegated to the executive branch. The fixing of foreign policy and the regulation of the national economy have been pointedly separated by the Constitution and this separation has proved over the years to be a wise provision.

The junior Senator from Nevada still believes that it is a wise provision. Through the 1934 Trade-Agreements Act, the Congress of the United States was stampeded into transferring to the executive branch the regulation of the national economy through the regulation of foreign commerce. This simply means that the Executive has charge of all the important affairs of the Nation now. He regulates the national economy through regulation of the import fees and tariff. He fixes the foreign policy as the Constitution of the United States intended.

#### SENATE DOES NOT FIX FOREIGN POLICY

Over the past 5 or 6 months the Senate of the United States has spent a great deal of time trying to impress the world with the idea that the Senate should fix the foreign policy. I believe the President of the United States was entirely within his rights when he said that he intended to fix the foreign policy, because the Constitution gave him the authority to do so, and he had never been silly enough—as much as he has been abused during the last year or two—to give up his right to do so.

But the Congress of the United States, while reaching for the right to fix foreign policy overlooked the one important thing: That it does not have the power to fix foreign policy—and if the Congress passed an act transferring that power to the legislative branch—the President would no doubt have the presumption to veto it.

#### THE CONGRESS CAN STILL VOTE APPROPRIATIONS

The President of the United States now has the power to regulate foreign commerce and to fix foreign policy.

The Congress has left the power to make appropriations.

#### NEW ESCAPE CLAUSE AND END OF TRADE AGREEMENTS ACT EASY TO DO

Mr. President, if the Senate and the House refuse to extend the 1934 Trade Agreements Act, it will expire on June 12.

When it expires on June 12 it simply would leave the trade agreements already made, status quo.

There is no reason whatever why the Senate Finance Committee should not have reported Senate bill 1040 providing for the escape clause and substituted it for the 2-year extension measure that has been brought to the floor.

#### ECONOMY WOULD CRUMBLE IN CASE OF PEACE

Mr. President, the argument is made that industries and workmen would have no source of relief unless the act should be extended, including the escape clause, however, there is no excuse whatever why the broadened escape clause could not have been brought to the Senate floor as a substitute for the 2-year extension of the 1934 Trade Agreements Act.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. McFARLAND. I should like to ask the Senator if he has about concluded his remarks or will it take him some period of time to do so?

Mr. MALONE. I think it will take a little while yet.

Mr. McFARLAND. How long?

Mr. MALONE. I am unable to estimate the time.

Mr. McFARLAND. Would the Senator be willing to yield for the purpose of a motion to recess being made until tomorrow, providing he obtains the floor after the routine business is concluded, after the convening of the Senate tomorrow?

Mr. MALONE. I should be very happy to yield for that purpose.

Mr. McFARLAND. Mr. President, I ask unanimous consent that after the transaction of routine business has been concluded tomorrow, the junior Senator from Nevada [Mr. MALONE] be given the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

During the delivery of Mr. MALONE's speech,

Mr. WHERRY. Mr. President, will the Senator from Nevada yield to me, so I may propound a question to the Senator from Georgia [Mr. GEORGE], who is in charge of the bill, if the Senator from Nevada does not thereby lose his right to the floor?

Mr. MALONE. I ask unanimous consent, Mr. President, that I may yield to the Senator from Nebraska for the purpose stated, without losing the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, when I was absent from the floor an order

was obtained, as I understand, agreeing to the committee amendments en bloc.

Mr. GEORGE. Yes; that is correct.

Mr. WHERRY. I have no objection to that procedure. However, I had already told one or two Senators that the way to retain language which was contained in the bill as it came from the House was to resist the Senate amendments. If a Senator desired to retain certain House language, I suppose it would be necessary for him to move to reconsider the vote by which an amendment was agreed to and, then, if the amendment were rejected, the House language would be reinstated. That procedure would be in order, if a Senator wanted to have the House language reinstated, would it not?

Mr. GEORGE. Yes; it would be in order to do that.

Mr. WHERRY. That being so, may I ask the distinguished Senator from Georgia another question? The language of section 8, beginning in line 21 on page 11 and ending on line 7 on page 12, has been stricken by the committee. That is the section dealing with agricultural commodity price support. The bill as passed by the House provided that no concessions should be made which would reduce the price of agricultural products below the parity price. Am I correct in that interpretation?

Mr. GEORGE. Yes. I think the Senator's interpretation is correct.

Mr. WHERRY. In looking through the report rather hastily, I have not found—no doubt they are in the report—the reasons why the Senate committee struck out the House language of section 8. The distinguished Senator from Georgia recalls, I am sure, the long debate we had about the importation of Canadian potatoes. I am also sure he recalls that at one time the tariff on imported Canadian potatoes, if I remember correctly, was reduced to as low as about 65 or 75 cents a hundred pounds. I think that was about the figure. At the same time in the United States the support price was about \$2 a bushel. This permitted the importation of Canadian potatoes, and, as I recall, upwards of 15,000,000 bushels came into this country. I am not sure that all the 15,000,000 bushels of potatoes came from Canada. I make no reflection on Canada. The potatoes, however, came into this country. At the same time we had a surplus of potatoes and were selling them for, I believe, 1 cent a hundred pounds—perhaps I am mistaken and the price was \$1 a hundred pounds—in order to get rid of the potatoes in the market. At that time there was considerable debate over the principle of permitting the importation of potatoes into this country while permitting the tariff on them to be reduced to a point which was below the support price.

I do not now argue whether support prices are right or wrong, but inasmuch as there is a support price, there seems to be a strong indication that the end result is that although the Canadian farmers came into a market which had a support price, yet the tariff was so low that they could sell the potatoes and still net \$1.25 or \$1.50 a bushel, and thus



we were simply subsidizing the Canadian farmers on the importation of those potatoes. I notice the House wrote into the bill language dealing with that situation. I ask the distinguished Senator from Georgia if he will give an explanation as to why the Senate committee struck out the House language.

Mr. GEORGE. I have done so. The Senator was not present.

Mr. WHERRY. I am sorry. I was attending a committee meeting.

Mr. GEORGE. I read from the committee report, which, by the way, was unanimous. The following is from page 7 of the committee report:

The House-approved amendment which would have prevented tariff concessions from applying to imported agricultural commodities being sold under a price-support program in the United States has been deleted. It was felt that the intermittent application and withdrawal of price supports would make concessions on the products concerned untenable. The uncertainties growing out of such operations would interfere with or obstruct the normal trade in price-supported products.

It must be remembered that we export five times as much as we import of this type of products.

Mr. WHERRY. Does the Senator mean potatoes?

Mr. GEORGE. I mean agricultural products.

Mr. WHERRY. I understand that.

Mr. GEORGE. We import potatoes and we export potatoes. We are large exporters of potatoes.

I invite attention to the following language from the committee report:

Your committee adopted an amendment designed to protect the full operation of section 22 of the Agricultural Adjustment Act. If a case should arise where required action under section 22 would conflict with any trade agreement, then the action under section 22 shall prevail.

So complete protection can be given under the new provision which we have placed in the bill, making it mandatory upon the President to see that something is done to protect an agricultural commodity which is being supported under section 22. The President can do that, of course, as provided in section 22. What the bill does is to repeal subsection (f), which got into the act as an amendment, and which rather required section 22 to conform to the agreements. I believe that when the Senator considers what the House language did, he will see that, as a matter of tariff making, it is an impossible program. I read the sentence again:

It was felt that the intermittent application and withdrawal of price supports would make concessions on the products concerned untenable.

It would be impossible to negotiate agreements with respect to them, because there would be no certainty about their operation. Since our exports of agricultural commodities exceed our imports by a considerable margin, it was felt by the committee that there ought to be certainty in the law.

The bill removes subsection (f) from section 22, and leaves section 22 in such a condition that it prevails over the agreement.

We also amended the escape clause. We took great care in amending the escape clause. The committee gave a great deal of attention to it. It seems to me that we have taken care of the situation.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. GEORGE. I yield.

Mr. WHERRY. I should like to ask another question. First, I should like to state to the distinguished Senator from Georgia that the amendment found on page 13, in subsection (f), is a splendid addition to the bill. The action of Congress with respect to a previous bill apparently permitted the State Department to override these agreements, which caused some difficulty. I believe that subsection (f) is a very good amendment. But I do not see how that in any way affects the proposal of the House, unless it supersedes it. However, in my opinion, it is not a cure-all.

Mr. GEORGE. Under section 22 the President would be authorized to establish a quota on imports of an agricultural product. There is nothing to restrain him. It affords the broadest possible protection.

Mr. WHERRY. In other words, the Senator states that the aid upon which we might rely is that the President, after he has been advised by the Tariff Commission, or from other sources, may establish quotas under section 22.

Mr. GEORGE. Yes; he may establish quotas.

Mr. WHERRY. Has he that right now?

Mr. GEORGE. He cannot do it now.

Mr. WHERRY. Quotas have been established—

Mr. GEORGE. We propose to repeal subsection (f). That repeal would assist the President in establishing quotas. Furthermore, under the escape clause any interested party can invoke the escape clause.

With those provisions, it would seem that agricultural products, the price of which we were supporting, could very well be protected. I agree with the Senator that it is illogical to support the price of a farm commodity and at the same time so reduce the protection of that particular price as to permit its undercutting and undermining.

Mr. WHERRY. If the Senator will further yield, for the life of me I cannot see how, under the escape clause, we get legislation which is helpful. I can see that pursuant to the terms of section 8, under the provisions of section 22 of the Agricultural Adjustment Act, if a condition exists requiring emergency treatment, the Tariff Commission shall make an investigation. I think that is a good thing. However, that is not mandatory. There is nothing in the provision which nullifies a concession already made. All that can be done is to investigate. Where is there any legislative relief? In the event a concession is made by the President as a result of which agricultural products come into the United States below the support price, is there any way, legislatively, to prohibit such a condition by increasing the tariff, or affording some definite relief, rather than merely suggesting the

problem to the President of the United States for his consideration?

Mr. GEORGE. Mr. President, if a perishable product is involved, the Secretary of Agriculture can put in motion all the relief provisions of these several amendments. The Secretary of Agriculture can call upon the President and upon the Tariff Commission. The Tariff Commission must act expeditiously, and the President is given direct authority to act without waiting for the report of the Tariff Commission.

Mr. WHERRY. I agree to all that.

Mr. GEORGE. In the event that the price of an agricultural commodity is being supported, or other support measures have been taken in conformity with section 22, if a question arises, the case must be adjudged on its own merits. The President has not only ample power to deal with rates in that instance, but he has express power, I should say, to establish a quota.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. GEORGE. I am glad to yield.

Mr. WHERRY. I do not wish to take up too much time. With the exception of the escape clause, all the steps which the distinguished Senator has mentioned were followed in the case of potatoes. The President was advised; the Secretary of State was advised; the Secretary of Agriculture was advised; and in the final analysis nothing was done. The potatoes continued to come into the United States. They came in with so little protection—

Mr. GEORGE. I may say that section 22 could not apply because of the agreement. We have amended section 22. We have taken out the prohibition. It does now apply.

Mr. WHERRY. I have just commended the Senator and the committee for the very fine work in connection with the amendment.

Mr. GEORGE. That amendment, coupled with the escape clause, certainly should give agriculture protection.

Mr. WHERRY. All the amendment does is to bar the State Department or the President from overriding the law as we make it.

Mr. GEORGE. That is correct. However, when the Senator complained before about potatoes, the agreement at that time was outstanding, and the President could not act under section 22. No action could be taken under section 22 because of the agreement itself. We have removed that impediment or inhibition. Quotas can be imposed and complete protection can be given to a commodity which is supported by any one of our farm programs.

Mr. WHERRY. Of course, what the legislative effect of the amendment would be, I am not certain. I have a great respect for the judgment of the distinguished Senator from Georgia and for the minority member of the committee, the Senator from Colorado [Mr. MILLIKIN]. I have discussed the matter personally with him. Perhaps subsection (f) does go a long way toward resolving the difficulty with respect to the importation of agricultural products. However, even though it be adhered to,

the point I am making is that there is absent any requirement that the President or the Secretary of Agriculture shall carry out the good suggestions of the Senator from Georgia. In the final analysis, as I read the bill, all we can hope for is an immediate investigation by the Tariff Commission. Then they would make their recommendations to the President. We have a discretionary situation in which the President may take immediate action. The bill does not say he must take action.

Mr. GEORGE. Section 22 requires the President to act. I believe if the Senator will read section 22 he will see that the fullest power is there given, and that a direct and mandatory requirement is placed upon the President. At least that is my understanding of it.

Mr. WHERRY. I am glad to hear the Senator say so. I am glad to have his interpretation of section 22 of the Agricultural Act.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 4, 5, 6, 7, 13, and 33 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 18, 19, 25, 28, and 34, to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

#### SUPPLEMENTAL APPROPRIATIONS, 1951— CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. HUNT in the chair). The report will be read for the information of the Senate.

The report was read by the legislative clerk, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 14, 16, 17, 20, 24, 26, 27, and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 8, 9, 10, 11, 21, 23, 30, 31, 32 and 35, and agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert: "\$3,300,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert: "\$5,750,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 4, 5, 6, 7, 13, 18, 19, 25, 28, 33, and 34.

KENNETH MCKELLAR,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
JOSEPH C. O'MAHONEY,  
STYLES BRIDGES,  
HOMER FERGUSON,  
KENNETH S. WHERRY,  
GUY CORDON (with reservations),  
*Managers on the Part of the Senate.*

CLARENCE CANNON,  
ALBERT THOMAS,  
W. F. NORRELL,  
JAMIE L. WHITTEN,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
GLENN R. DAVIS,  
*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered, and agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3587, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,  
May 21, 1951.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, 6, 7, 13, and 33 to the bill (H. R. 3587), entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 18 to said bill and concur therein with the following amendment: In lieu of the sum of "\$1,000,000," named in said amendment, insert "\$1,750,000."

That the House recede from its disagreement to the amendment of the Senate numbered 19 to said bill and concur therein with the following amendment: In lieu of the matter stricken by the said amendment insert:

"No money made available to the Department of Commerce, for maritime activities, by this or any other act shall be used in payment for a vessel the title to which is acquired by the Government either by requisition or purchase, or the use of which is taken either by requisition or agreement, or which is insured by the Government and lost while so insured, unless the price or hire to be paid therefor (except in cases where sec. 802 of the Merchant Marine Act, 1936, as amended, is applicable), is computed in accordance with subsec. 902 (a) of said act, as that subsection is interpreted by the General Accounting Office."

That the House recede from its disagreement to the amendment of the Senate numbered 25 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert: "and transfers may be made between appropriations or allocations within any such department, agency, or corporation as may be necessary to carry out this proviso, and no allocation shall be made to any agency which can perform such defense activities as may

have been or hereafter be assigned to such agency which can be performed by its regular personnel by use of the foregoing authority to realine its regular programs."

That the House recede from its disagreement to the amendment of the Senate numbered 28 to said bill and concur therein with the following amendment: Restore the matter stricken by said amendment amended to read as follows:

#### "FEDERAL CONTRIBUTION

"For financial contributions to the States pursuant to subsection (1) of section 201 of the Federal Civil Defense Act of 1950, \$25,000,000, to be equally matched with State funds, of which \$20,000,000 shall be for medical supplies and equipment and \$5,000,000 for training and education, to remain available to June 30, 1952."

That the House recede from its disagreement to the amendment of the Senate numbered 34 to said bill and concur therein with the following amendment: In lieu of the matter proposed by said amendment insert the following:

"SEC. 1302. (a) During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other act to provide economic or financial assistance (other than military assistance) to foreign countries, to any country which exports or knowingly permits the exportation of, to the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea), arms, or armament or military matériel or articles or commodities which the Secretary of Defense shall have certified to the Administrator for Economic Cooperation may be used in the manufacture of arms, armaments, or military matériel, or shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security; and the Secretary of Defense is hereby authorized and directed to so certify to the Administrator for Economic Cooperation any article or commodity of the nature or class described: *Provided*, That after the fifteenth day following the date of enactment of this act and prior to the termination of the period heretofore referred to no country shall be eligible for economic or financial assistance under any such act unless within 30 days prior to the date on which such assistance is to be provided such country shall have certified to the United States that it has not, subsequent to the fifteenth day following the date of enactment of this act, exported, or knowingly permitted the exportation of, arms, armaments, military matériel, articles, or commodities, which are subject to the foregoing provisions of this section, to any of the countries referred to in such provisions: *Provided further*, That such certification shall not relieve the Administrator for Economic Cooperation or any other officer of the United States Government of responsibility for enforcing the foregoing provisions of this section: *Provided further*, That exceptions to these provisions may be made upon an official determination of the National Security Council that such exception is in the security interest of the United States: *Provided further*, That the National Security Council shall immediately report any exception made with reasons therefor to the Appropriations and Armed Services Committees of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the National Security Council shall at least once each quarter review all exceptions made previously and shall report



its determinations to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which an exception is made.

"(b) Section 1304 of the Supplemental Appropriation Act, 1951, is hereby repealed."

Mr. McKELLAR. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 18, 19, 25, 28, and 34.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HUNT in the chair). The Senator will state it.

Mr. WHERRY. Do I understand that the Senate has now adopted the conference report and has agreed to the several amendments of the House to certain Senate amendments?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. Is the amendment of the House to Senate amendment No. 34 one of the amendments which has been agreed to?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. Mr. President, I ask unanimous consent that at this point in the RECORD there may be printed an analysis of amendment 34, as prepared by legislative counsel.

There being no objection, the analysis was ordered to be printed in the RECORD as follows:

As it passed the Senate, the so-called KEM amendment provided that during a period in which our Armed Forces are engaged in hostilities, while carrying out a decision of the Security Council of the United Nations, no economic or financial assistance should be extended to any foreign country which exports arms, armaments, or military matériel, or commodities which the Secretary of Defense certifies may be used in the manufacture thereof, to Russia or any of her satellites, including Communist China and Communist North Korea.

The conferees modified the amendment in the three following respects:

1. The amendment agreed upon by the conferees covers not only arms, armaments, and military matériel, and articles and commodities which the Secretary of Defense certifies may be used for the manufacture thereof, but also includes any article or commodity, regardless of its nature, if the shipment thereof to Russia and her satellites is embargoed by the United States in the interests of national security.

2. The second change made by the conferees is the addition of the matter contained in the first two provisos.

The purpose of this addition is to provide a means for enforcing the amendment, by requiring all countries receiving economic or financial aid from the United States to certify, as a condition of eligibility for such aid, that they have not, subsequent to the fifteenth day following the date of enactment of this bill, shipped to Russia or any of her satellites any of the items covered by the amendment; that is, arms, armaments, or military matériel; articles or commodities which may be used in the manufacture of arms, armaments, or military matériel; and articles or commodities the shipment of which to the Soviet bloc is embargoed by the United States.

No aid could be furnished subsequent to the fifteenth day following the date of enactment in the absence of such a certification.

Also, the certification must have been obtained within 30 days prior to the time the aid is extended, so that countries receiving more or less continuous aid would be required to make monthly certifications.

In order that the various countries receiving aid from the United States will have notice of our intention to cut off aid if they continue to export prohibited items to Russia or any of her satellites, the period to be certified to, will not commence until the fifteenth day following the date of enactment.

As a result the first certification, in the case of a country to which aid is to be extended shortly after such fifteenth day, will necessarily refer to trade during only a short period of time.

For example, a country seeking aid on the sixteenth day following the date of enactment may be able to qualify therefor merely by certifying that it did not engage in the prohibited trade on that day.

If it continued to receive aid, however, it would be required to certify again 30 days thereafter that it had not exported those items to the Soviet bloc subsequent to the fifteenth day following the enactment of this bill.

It should perhaps be pointed out that these provisions are not intended to result in a denial of assistance to a country merely because it has exported an item which at the time of certification is on the prohibited list, if at the time of the exportation such item had not been placed on the prohibited list.

The second proviso was included simply for the purpose of making clear that the certification machinery is in addition to, and not in lieu of, other means of enforcement of the provisions of the amendment. In other words, it would be the duty of the ECA Administrator to terminate assistance to a country, even though it had made the necessary certification, if he determined through other means that it was engaged in the prohibited trade.

3. The last two provisos would authorize the National Security Council to make exceptions from the provisions of the amendment where, in its opinion, to do so would be in the security interest of the United States. In such case, a country can continue to receive aid from the United States even though it exports the item with respect to which exception is made to Russia or one of her satellites and cannot, therefore, make the certification required by this amendment with respect to that item.

Immediate reports of all such exceptions made by the National Security Council must be made to the Appropriations and Armed Services Committee of both Houses, and to the Foreign Relations and Foreign Affairs Committees of the Senate and House, respectively, setting forth the reasons for such exceptions and an analysis of the particular country's trade with the Soviet bloc.

In addition, the National Security Council would be required to submit quarterly reports to the same committees, reviewing the exceptions made during the preceding quarter.

The last subsection of the amendment repeals the existing law on this subject which, it will be recalled, was enacted last fall as a part of the Second Supplemental Appropriation Act, 1951, and which merely prohibits the furnishing of economic or financial assistance to countries whose trade with Russia or any of its satellites is found by the National Security Council to be contrary to the security interests of the United States.

Mr. WHERRY. Mr. President, the difficulty has been that the National Security Council has failed to look. If it

had looked, as required by law, it would have found much trade in materials helpful to the enemy.

And this is why mandatory legislation is now needed.

Mr. HILL. Mr. President, I should like to ask the Senator from Arizona a question with reference to the amendment dealing with the International Children's Fund. I note that the explanation reads:

Amendment No. 22: Appropriates \$5,750,000 instead of \$5,000,000 as proposed by the House and \$7,500,000 as proposed by the Senate. The conferees are agreed in approving this figure that the contribution of the United States to this program shall not exceed one-third of total funds contributed to the program by all countries.

My question of the Senator from Arizona is whether the phrase "total fund contributed to the program by all countries" includes not only the direct contributions to the children's fund, but also the estimated local contributions by recipient countries which are made to match children's fund imports under the agreement with each of the recipient countries.

Mr. HAYDEN. It is very difficult to say how an administrative agency would interpret an amendment of that kind, but my understanding is that contributions are made by the United States and contributions are made by other nations, which become available to the children's fund when met by equal amounts contributed by the country in which the funds are to be expended. In other words, if we were to raise one-third of the first dollar, that dollar must be matched again by another dollar in the country which receives the aid, so that the total amount to be expended for the benefit of the children in that country would be \$2. It would seem to me reasonable to interpret this language to mean that one-third of that amount could be contributed by the United States.

Mr. HILL. One-third of the total funds that have been described by the Senator from Arizona; is that correct?

Mr. HAYDEN. Yes; that is the way the report reads.

Mr. HILL. I thank the Senator.

Mr. KEM. Mr. President, I should like to say that I think amendment 34 is a distinct gain for the American people. The vast amounts of strategic materials and war materials which have been moving into Communist China through Hong Kong in my judgment are a shame and a disgrace. I believe this amendment is in one way an improvement over an amendment which was adopted by the Senate a few days ago. The amendment includes the words:

Shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security.

In that respect I think the amendment as submitted by the committee of conference is an improvement.

At the same time I am sorry to see inserted a provision which gives the National Security Council any discretionary power to permit a continuance of this trade. However, if the National Security Council reports to the committees of

Congress what it is doing, so that the facts will be immediately known to the public, I do not believe any great amount of harm will be done in that respect.

I am glad the amendment has been adopted. The only pity is, Mr. President, that it comes 65,000 casualties too late.

Mr. O'CONOR. Mr. President, I should like to make a brief comment with respect to the action just taken by the Senate on the conference report.

First, I should like to commend the Senate members of the committee of conference, the Senator from Tennessee [Mr. McKELLAR], the Senator from Arizona [Mr. HAYDEN], the Senator from Nebraska [Mr. WHERRY], and other Senators who have labored so diligently to bring about this result. I think it is unquestionably a step in the right direction. However, Mr. President, it will be of little avail unless it is enforced vigilantly and with a will to carry out the decision of the Congress.

I regret very much to say that the action previously taken by the Congress was not carried out diligently and efficiently by United States officials or by officials of our supposed allies.

At this very hour there is in Eastern Germany, and also working into Western Germany, a Chinese mission, sent there by the Communist government of China, and negotiating on this very day with establishments in Western Germany, under the jurisdiction of the allied powers, to secure strategic materials to be sent behind the iron curtain and unquestionably to be used in building up the military and industrial potential of the Communists.

When we realize that the trade through Hong Kong has increased by three times between 1949 and 1950, and that the trade from Germany with Communist China has increased 2,700 percent between 1949 and 1950; when we have shown that the illegal German trade with the Russian bloc is now approximately \$100,000,000 annually; when our observers found in the last month that whole trainloads of material are being sent, and that a truck carrying 30 tons of equipment or supplies is moving across the border every 3 minutes, with little or no detention and no inspection, it certainly is a sorry state of affairs.

I regret to say that these conditions are not new or of recent origin. Two years ago these conditions were reported officially to our representatives. They were informed that there was no attempt at enforcement on the interzonal or international borders, that there have been an inefficient licensing system, a lack of centralized control, and abundant opportunities for fraud and forgery, which have been taken advantage of, and that the border is wide open, as a result of which strategic materials have been flowing across the border, to places behind the iron curtain. That situation certainly represents one of the darkest pages in the history of the present crisis.

I express the hope that our officials will live up to their responsibilities and will step into this very important situation with a will and a determination to put a stop to the flow of strategic materials into the hands of the Communists,

to be used against the American boys who now are fighting for survival.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'CONOR. I am glad to yield.

Mr. FERGUSON. I wish to ask the Senator a question, because I know he spent considerable time on the amendment. I wish to thank him for his effort and his advice, because he was conducting the hearings which have shown the amount of trade and the kind of trade which was going on between the various countries.

I wish to ask the Senator whether it will be well for the State Department and the military authorities to consider very seriously this question, realizing that we are at war, and that if we trade with the enemy—whether it be the soldiers who are fighting for Soviet China or Red Korea or the army which is directing the fight from Moscow—when we give them aid and comfort we are, in effect, giving aid and comfort to an enemy of the United States as of today, because we are at war with a part of them in fact, and to all intents and purposes we are at war with the real enemies in the Kremlin. So our officials should consider that we should not give aid and comfort to those enemies, but should realize that we are really at war. Is not that a fact?

Mr. O'CONOR. I think the Senator is eminently correct. I think that in every respect the approach he has stated is the realistic approach of today. I shall go further by saying to the Senator that, in addition to any step toward giving direct help from America to the enemy countries, the use of ECA funds by the western European powers, in turn, to build up their industrial capacity, only to have it used—as it has been used in the past—to supply the Communist countries, certainly creates a very unfortunate situation which is defeating the very purposes for which ECA was originated.

Mr. FERGUSON. Does not the Senator from Maryland feel that when we are sending money to arm and give economic aid to these countries, if they give material aid to the enemy, whether it is the enemy in the cold war or the enemy in the hot war, they in effect are destroying their own economic and their own political systems? Does not the Senator agree that the countries we aid must keep that in mind; and that when we make a variation at this time and allow this trade or any trade to go on between those countries, our public officials must keep in mind that the trade must be allowed only on the condition that it will benefit the security of the United States and her allies?

Mr. O'CONOR. That should be the only consideration on the basis of which the trade can be justified, in my opinion.

Mr. FERGUSON. When the officials certify to Congress and to the congressional committees in regard to the trade, is it not important that our committees—I refer not only to the Armed Services Committee, the Foreign Relations Committee, and the Appropriations Committee, but also to the Committee on Interstate and Foreign Commerce, on

which the Senator from Maryland also serves—should scrutinize very carefully every such transaction, to determine for the people back home whether the transaction is for the security of the United States, which means that it is for the security of our country and our allies in this war against communism. Does not the Senator from Maryland agree?

Mr. O'CONOR. I certainly agree with the Senator in everything he said in urging the necessity for the closest and most unrelenting follow-up in regard to these matters. We find two situations which are illustrative. First, a list is published which on its face appears to be a clear prohibition against sending certain articles across the border, as, for example, 20-ton cranes, about which the Senator from Delaware and I heard. There was a mere change in the size, so they weigh but 18 tons and they have been going over regularly. Second, when there was a prohibition against sending an entire factory across, the shippers broke it up into 89 parts and sent over the parts, to be assembled behind the iron curtain, with the same result, of course.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield to the Senator from Michigan.

Mr. FERGUSON. Regarding that kind of trade, it is very difficult for a committee of Congress, when it merely sees the items, to determine that they would aid the enemy; but those who are in authority in our Armed Forces and in our security division ought to scrutinize carefully a situation in which a factory is being divided into 89 parts, the purpose being in effect, to deceive ourselves, and really to aid the enemy.

Mr. O'CONOR. I agree with the Senator entirely.

Mr. FERGUSON. The mere changing of the 20-ton crane to an 18-ton crane, of course, does not at all alter the fact.

Mr. O'CONOR. That is correct. I agree with the Senator entirely.

Mr. LANGER. Mr. President, will the distinguished Senator from Maryland yield for a question?

Mr. O'CONOR. I am glad to yield to the Senator from North Dakota.

Mr. LANGER. Under the Potsdam Agreement, it was provided, was it not, that reparations should be sent to Russia?

Mr. O'CONOR. I think that is a different question from the one with which we are concerned at this time. We are concerned with ECA aid to the Western European countries.

Mr. LANGER. I understand that perfectly, but is it not simply a continuation of what took place when the Potsdam Agreement was made?

Mr. O'CONOR. I understand exactly what it is to which the Senator is referring. I believe there is a distinction, however, between what was done under the Potsdam Agreement and the more recent East-West trade, which is entirely, or in part, controlled by the United States, or by the allied powers, because there is a tripartite agreement, as of course the Senator is well aware, which affords to the United States, to



Britain, and to France authority over shipments which unquestionably should have been prohibited before this time.

Mr. LANGER. Mr. President, I ask unanimous consent that I may ask two questions of the Senator from Georgia.

Mr. DIRKSEN rose.

Mr. McKELLAR. Mr. President, before we get through with it—

Mr. DIRKSEN. I wish to ask a question in connection with the conference report.

Mr. WILLIAMS. Mr. President, will the Senator from Maryland yield for a question regarding the conference report?

Mr. O'CONOR. I gladly yield to the Senator from Delaware.

Mr. WILLIAMS. What action did the conferees take on the amendment relating to the purchase or requisitioning by the Government of American shipping?

Mr. O'CONOR. I think it would be necessary for the Senator from Delaware to ask the Senator from Tennessee, or the Senator from Arizona.

Mr. McKELLAR. The Senator from Arizona can answer it.

Mr. WILLIAMS. Mr. President, will the Senator from Arizona answer that question?

Mr. HAYDEN. The Senate struck out the language in the bill, as the Senator will remember, and adopted his amendment. That provision of the bill was stricken out, and in lieu of it the following language was inserted:

No money made available to the Department of Commerce, for maritime activities, by this or any other act, shall be used in payment for a vessel the title to which is acquired by the Government either by requisition or purchase, or the use of which is taken either by requisition or agreement, or which is insured by the Government and lost while so insured, unless the price or hire to be paid therefor (except in cases where sec. 802 of the Merchant Marine Act, 1936, as amended, is applicable), is computed in accordance with subsection 902a of said act, as that subsection is interpreted by the General Accounting Office.

In other words, instead of their being able to get the full value of a ship at the time it was lost, the Government can take care that it does not pay more than what had originally been paid for the ship. The amendment agreed to, as I understand, is one drafted by the General Accounting Office, which, it is claimed by them, makes the provision constitutional.

Mr. WILLIAMS. Then the conference committee, in substance, accepted an amendment recommended by the General Accounting Office; did it?

Mr. HAYDEN. Yes; it did.

Mr. DIRKSEN. Mr. President, I should like to address a question either to the Senator from Arizona or to the Senator from New Hampshire, with respect to amendment 22. It relates to the International Children's Welfare Fund. I notice language is used which is in the nature of a limitation, to the effect that "not to exceed one-third of the total funds contributed to the programs by all countries" shall be the measure of what is contributed by the United States.

The fact of the matter is, of course, that children have been the real wrecks of war, not only in Europe, but elsewhere; and one of the fine things this country has done has been to bend over on the side of generosity in behalf of those future citizens of other countries of the world. I had an opportunity to see the operations of this fund at first hand. I saw the expressions of gratitude by children as they wrote poems and drew pictures and somehow expressed in their childish way what came from the heart.

If I read the language correctly, it would exclude the contributions which are made in kind, as a sort of counterpart, by the recipient countries, which, as I understand, aggregate about \$150,000,000. If that is the purport of the language, then obviously the contribution by this country in any one year would be severely limited, and would probably be reduced to approximately \$2,000,000 for the remainder of the fiscal year, which, obviously, would be a very small amount, indeed, with which to carry on a supply program which is so extensive, and which relates to so many millions of children throughout the world.

I wonder whether the Senator from Arizona can clarify that point, or whether the Senator from New Hampshire can clarify it, so that those who will have under their authority the approval of the expenditure of this money will have a clear indication of the real intention of the Congress.

Mr. HAYDEN. The Senator from Oregon a moment ago indicated that perhaps my interpretation was erroneous. When we had this matter under discussion in the conference, I pointed out that there was an original contribution by the United States. There are also contributions by other nations.

Mr. DIRKSEN. That is correct.

Mr. HAYDEN. The dollar which is obtained in that way goes to some country where there are children who need help, which country must put up at least another dollar.

From a reading of the language, and from the way it is written in the report, my interpretation would be that our contribution "shall not exceed one-third of total funds contributed to the program by all countries."

Mr. DIRKSEN. By "contributions," does the Senator include also the \$150,000,000 which has been contributed or made available by the recipient countries since this program got under way?

Mr. HAYDEN. The language is "all other countries." I have stated my interpretation. The language could be narrowly interpreted to mean only the contributions by the United States and the country matching United States funds, and stop right there.

Mr. DIRKSEN. Do other members of the subcommittee join and concur in the interpretation made by the Senator from Arizona?

Mr. HAYDEN. The Senator will have to ask them.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Michigan.

Mr. FERGUSON. I am sure the Senator from Illinois is in error, if he means that this will apply only to those within the original pool. I was hoping that that would be true of this particular appropriation, but, after making some inquiry, I am inclined to the opinion that the words "contributions to the program by all countries" mean that it will not be in excess of one-third for the contributing countries and those who have to match the contributions; so we have two funds, namely, a contributing fund and a matching fund. Therefore, when reference is made to "all countries" and the contributions to the program, it includes both the contributing fund and the matching fund, which, as has been said, will greatly reduce the amount of this fund.

Mr. DIRKSEN. Mr. President, let me ask the Senator from Michigan for information in dollars and cents. Obviously, the Senator from Illinois cannot be in error, because he is merely very patiently seeking light on this subject and trying to divine the intentions of the conferees. Suppose the Senator puts the answer in dollars and cents.

Mr. FERGUSON. That is what I should like to do.

Mr. DIRKSEN. Five million seven hundred and fifty thousand dollars is made available under the program. How much will the administration be able to spend during the remainder of the fiscal year?

Mr. FERGUSON. They will be able to spend up to \$5,700,000, not more than one-third of the total. Other nations will contribute to the amount. Let us consider three times that amount should be available, which would mean approximately \$17,000,000, and assume that other countries will contribute another \$17,000,000. That would mean that \$34,000,000 might be contributed.

Mr. DIRKSEN. I am trying to find out how much, in dollars and cents, will be available. First, we make a contribution. Second, those nations which make contributions for relief outside their borders are in the next category. Third, there are the recipient countries. In all, they have put up, in what may be called counterpart funds, probably \$150,000,000. But they are on the receiving end. If we consider all three categories of countries, how much, in dollars and cents, would be available?

Mr. FERGUSON. We could contribute only the amount appropriated, which is \$5,750,000, not more than an amount equal to one-third of the total amount. Of course, there are private contributions.

Mr. DIRKSEN. Of course, we are not concerned with them at the moment.

Mr. FERGUSON. This provision does cut down the amount that will be contributed under the plan. The original contribution permitted was 72 percent. On the insistence of the House, that was cut so that we can now contribute 33½ percent, instead of 72 percent.

Mr. DIRKSEN. I dislike to be persistent, but I am sure that some member of the committee must know how much,

in dollars and cents, the sum will amount to. Do not the hearings disclose that fact?

Mr. FERGUSON. Not the conference hearings.

Mr. DIRKSEN. There should be some reasonably finite idea as to the amount, whether \$2,000,000, \$3,000,000, or how much will be available.

Mr. HAYDEN. The amount available is the amount of money appropriated, which is \$5,750,000, provided it is matched by other countries, including the country where it is received.

Mr. DIRKSEN. A list was available showing the total amount of the contributions by the contributing countries for aid beyond their borders, and the whole amount which was made up by the recipient countries.

Mr. HAYDEN. Congress obviously cannot take \$5,750,000 and make it match, on a one-third basis, \$150,000,000. We can go to the extent of \$5,750,000 and come within the rule. The report makes \$5,750,000 available for the purpose.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HILL. I have before me the House report on the conference agreement. It provides \$5,750,000 instead of the \$5,000,000 as proposed by the House and \$7,500,000 as proposed by the Senate. The report states that the conferees are agreed that the contribution of the United States to the program shall not exceed one-third of the total funds—I emphasize the words "total funds"—contributed to the program by all countries. So it seems that the United States can put up \$5,750,000, provided that amount does not exceed one-third of the total funds.

Mr. DIRKSEN. The "total fund" means contributed funds and matching funds, does it?

Mr. HILL. "Total" means all funds.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. FERGUSON. There is nothing in the report that would prohibit a contributing state from putting up \$150,000,000. So long as we keep within the 33 1/3 percent, American money to the extent of \$5,750,000 can be used.

Mr. DIRKSEN. I think that answers the question, but I wanted to be sure.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MILLIKIN. I should like to address a question to the distinguished Senator from Arizona (Mr. HAYDEN), if the Senator from Illinois has concluded his inquiries.

Mr. DIRKSEN. I was about to relinquish this line of inquiry, except to emphasize once more that while I am on record as being against all kinds of foreign aid, there is one field in which we do ourselves proud, and where we get a return for our money. That is in the case of the tots and youngsters in the formative stages who still know something about the virtues of gratitude and who express their appreciation to this country. So I wanted to be reasonably certain that there would be adequate funds to carry on, because this is one

feature on which we can look back with pride.

Mr. MILLIKIN. Mr. President, the distinguished senior Senator from Colorado and the junior Senator from Colorado are very much interested in securing an appropriation which could be used to heal the ravages in our western forests caused by beetle infestation. The Appropriations Committee of the Senate was very helpful to us, as was also the Senate itself. My inquiries indicate that the item was dropped out in the conference, and my inquiries also indicate that it would have been useless to take the question back to the conference. I wonder if I may have the observations of the distinguished Senator from Arizona on that point.

Mr. HAYDEN. The Senator is quite correct. I think every member of the Senate committee was convinced that the appropriation to which the Senator refers was meritorious, and should have been allowed, but we found the House conferees adamant with reference to the item. The Senator from Colorado can bring up the matter again when the regular appropriation bill comes before the committee.

Mr. McKELLAR. Mr. President, if the Senator will yield to me, I should like to say that I have never seen House conferees more adamant on any question than they were on this item. However, I am sure the Senator will have a good chance in the future to have the item allowed. The Senate members of the conference were overwhelmingly in favor of the amendment, but the House conferees were opposed to it.

Mr. MILLIKIN. Mr. President, on behalf of the senior Senator from Colorado and myself, I should like to express our gratitude to the conferees for the hard fight they put up when the question was in the conference. I hope the item may receive better consideration in connection with the regular appropriation bill.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. BRIDGES. The Senate conferees were unanimous in their position, but we encountered united opposition on the part of the House conferees. They said that the matter would be given consideration in connection with the whole policy in the regular appropriation bill. Finally, when we reached an impasse, we reluctantly yielded.

Mr. MILLIKIN. Does the Senator agree that it would have been useless to take the question back to conference?

Mr. BRIDGES. Does the Senator mean—

Mr. MILLIKIN. I mean, to reject the report and have it reconsidered by the conference committee.

Mr. BRIDGES. I do not think there would have been any change.

Mr. McKELLAR. Mr. President, if all Senators have concluded, I should like to refer to the so-called Kem amendment, about which much has been said. I voted for that amendment, and I think every other member of the committee voted for it. But in the conference it was pointed out that certain exceptions should be made. I send to the desk a

copy of the amendment which has now been agreed to, and ask that the clerk read it. I ask all Senators to listen as the amendment is read, because I think it is a long step in the right direction.

The PRESIDING OFFICER. The conference report has been agreed to, but if there be no objection the clerk may read the amendment.

Mr. BRIDGES. Mr. President, I wish to make a brief statement in connection with this matter. In line with what the Senator from Tennessee (Mr. McKELLAR) has said respecting the Kem amendment, I have just been informed of, and it was very interesting to me to read on the ticker the news that the British high court in Hong Kong today—or at least the report has come in today—has decided to award the 40 airplanes, ownership of which was under consideration by that court, to the Communist Government of Red China. Certainly that is a very helpful action.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him at that point?

Mr. BRIDGES. Yes.

Mr. McKELLAR. I want to say to the Senator from New Hampshire that I am not at all surprised at the action taken by the British court. I do not think they have treated us right about the matter. That is why I voted for the Kem amendment, and that is why I voted for the amendment which I earnestly ask the Senators may listen to as it is read by the clerk.

Mr. BRIDGES. The planes in question, if Members of the Senate will recall, are the planes which were sold to certain American-Chinese Nationalist interests. The 40 planes will be used in the making of war. The decision has been under consideration by the British high court in Hong Kong. And just a short time ago over the ticker comes the word that the high court in Hong Kong has awarded the planes to the Communists of Red China, so they will have 40 more airplanes to attack American boys and kill American boys. That is a sad commentary, but it is true. It affords one more reason why the Kem amendment should be adopted.

The PRESIDING OFFICER. The amendment referred to by the Senator from Tennessee will be read for the information of the Senate. The Chair will say to the Senator that the amendment has been adopted.

The Chief Clerk read as follows:

SEC. 1302. (a) During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other act to provide economic or financial assistance (other than military assistance) to foreign countries, to any country which exports or knowingly permits the exportation of, to the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea), arms, or armament or military matériel or articles or commodities which the Secretary of Defense shall have certified to the Administrator for Economic Cooperation may be used in the manufacture of arms, armaments, or military



matériel, or shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security; and the Secretary of Defense is hereby authorized and directed to so certify to the Administrator for Economic Cooperation any article or commodity of the nature or class described: *Provided*, That after the fifteenth day following the date of enactment of this act and prior to the termination of the period heretofore referred to no country shall be eligible for economic or financial assistance under any such act unless within 30 days prior to the date on which such assistance is to be provided such country shall have certified to the United States that it has not, subsequent to the fifteenth day following the date of enactment of this act, exported, or knowingly permitted the exportation of, arms, armaments, military matériel, articles or commodities, which are subject to the foregoing provisions of this section, to any of the countries referred to in such provisions: *Provided further*, That such certification shall not relieve the Administrator for Economic Cooperation or any other officer of the United States Government of responsibility for enforcing the foregoing provisions of this section: *Provided further*, That exceptions to these provisions may be made upon an official determination of the National Security Council that such exception is in the security interest of the United States: *Provided further*, That the National Security Council shall immediately report any exception made with reasons therefor to the Appropriations and Armed Services Committees of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the National Security Council shall at least once each quarter review all exceptions made previously and shall report its determinations to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which an exception is made.

(b) Section 1304 of the Supplemental Appropriation Act, 1951, is hereby repealed.

Mr. WHERRY. Mr. President, I did not detain the Senate when the conference report was brought up for consideration or during the consideration of the House amendments to the Senate amendments because I did not care to delay unduly the bill which is before the Senate as the unfinished business. At that time, however, I asked that a statement be inserted in the RECORD. It is an analysis which was prepared by the legislative counsel, which gave their interpretation of the amendment which the distinguished Senator from Tennessee has just requested to have read.

Mr. President, I think the amendment greatly strengthens what the Senate by its vote in passing the bill attempted to do, which was to shut off aid to Russia or her satellite countries that in turn are furnishing aid to Communist China. I do not think there is any doubt about that.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. Does the Senator think if the provisions of the amendment are honestly, fairly, and justly administered by the officials whose duty it is to carry out its terms, and especially by the Security Council, that that will have the effect of cutting off aid to Communist China?

Mr. WHERRY. My answer to the question asked by the distinguished

Senator from Tennessee is an absolute "Yes." Of course, in that respect, I should like to say that a law is just as good as its administration. The Congress has done what it could do to provide an effective law. If, as the distinguished Senator from Tennessee indicated in his question, that law is fairly and honestly administered, there can be no doubt as to its effectiveness. Had this been the law previously, there is no doubt that the sale of the 40 airplanes could not have been made at the time it was made.

The language of the amendment is identical with language submitted a year ago, as the Senator from Missouri well knows, with the exception that is further strengthened by this clause: "or shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security."

We have an embargo on goods to Red China, and the amendment provides that all the ECA countries shall put into effect a similar embargo to Red China or they will be cut off completely from further ECA aid. So I can answer the question asked by the distinguished Senator from Tennessee in the affirmative, with a considerable degree of force. Had the amendment been in effect previously there would not have been a sale of 40 airplanes to Red China by Great Britain or by any other ECA country. They would have been required to place an embargo on such airplanes before they could receive any further ECA aid.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. I think the question asked by the Senator from Tennessee respecting the honesty and fair administration of the provisions of the amendment is very pertinent. I wonder if the Senator is aware that we put a specific mandate in the law last year against the use of any ECA funds by a country, a protectorate of which was violating the rights of American citizens, a mandate which referred specifically to the Moroccan situation? I do not know if the Senator is aware that not only is the ECA failing to carry out such a specific mandate of law, but that the State Department has connived to permit the French Government, which has no right to do so, to take the problem into the World Court. Is the Senator aware that we are still going ahead and giving ECA aid in spite of what Congress has said? Our State Department is surrendering our rights by permitting the French to take this problem to the International Court which has no right to review the matter in the first place. It is a subterfuge, a ruse, and a device to avoid enforcing the law which Congress enacted. I believe that that question was very properly raised. Will this law be enforced if we enact it? I am not too sanguine, in the light of past experience. There are those who wish to avoid the law and disregard what the Congress has told them to do.

Mr. WHERRY. I may say to the Senator that I have not been too happy with the administration of the Secretary of State. I think my position on that

question is well known throughout the country. I will say, however, that I believe that this embargo is one of the best provisions of the new amendment.

There is also another provision which I think will be very helpful, now that the question has been raised. In this amendment it is provided that ECA shall carry out the mandate of Congress. I will say to the Senator from Iowa that this provision is now mandatory, rather than permissive.

Mr. HICKENLOOPER. The provision of the law last year was completely mandatory.

Mr. WHERRY. I believe that if the Senator will read the Cannon amendment, he will discover that it was watered down considerably. The provision which passed the Senate was mandatory, but when the bill got through conference and the Cannon amendment emerged it was not mandatory. I believe that if the Senator will read it he will find that it was watered down considerably from the standpoint of being a mandatory amendment.

But be that as it may, my feeling is that it is an improvement to have the additional provision in this amendment that the ECA shall see to it that the provisions of the amendment are carried out, plus an embargo against the articles which we do not permit to be shipped to Red China.

There is a further provision, which I think is a good one, namely, that before a country can get aid from ECA or any other financial agency of this Government, it is absolutely necessary that such country certify that for the previous 30 days and for the period of time from the 15th day after the passage of this act on, it has not in any way engaged in the sale of or trading in strategic materials destined for the satellite countries or for Russia. With that provision properly enforced, we do not need to depend on ECA alone to administer the act as the distinguished Senator from Iowa has brought out. We provide that the various countries shall, on their honor, make such a certification. If that is not done, and if the materials continue to flow from Western Germany through Eastern Germany, to the tune of \$100,000,000 annually, as the distinguished Senator from Maryland pointed out a moment ago, and if a country certifies in dishonor, I should like to see the board or the administrator who would override a decision and make such a report known to the committees of the Senate and House, as is required immediately if an exception to these provisions is made.

I believe this is a good amendment. I think it is a step in the right direction. I compliment the distinguished Senator from Missouri [Mr. KEM] and other Senators for the valiant effort which has been made over the past 2 years. I recall that a year ago, when this amendment was adopted, it went to the House, and to my way of thinking its mandatory provisions were completely nullified. It came back watered down.

I appreciate very much the work of the conferees. When they made an exception this time they gave this amendment full consideration. I believe that

with the proper administration, the addition of the qualifications which must be met in order to obtain aid will be helpful. I believe that I can say to the distinguished Senator from Missouri that his work has paid off. The work of those who have been interested in prohibiting the sale of strategic materials to the enemy through satellite countries is showing results. I hope that we may be able to stop the damnable traffic of furnishing materials to the enemy with which to kill American boys.

Mr. KEM. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield to the Senator from Missouri.

Mr. KEM. I merely wish to say that whatever the Senator from Missouri has done in the matter has been done with the assistance and cooperation of the Senator from Nebraska and a number of other Senators. The Senator from Nebraska has been too modest in what he has said, in failing to refer to his own efficient efforts.

Mr. WHERRY. I thank the Senator from Missouri.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. I hope the Senator from Nebraska does not feel that I am against this amendment.

Mr. WHERRY. Oh, no.

Mr. HICKENLOOPER. I think the amendment is very fine. I merely wish to say that as a result of past experiences on several occasions, the genius and ingenuity of certain administrative departments in avoiding the clear mandates of the law laid down by Congress place me in the position of saying that while I am for this amendment, I shall await with interest its implementation by the departments which we charge with carrying it out.

Mr. WHERRY. I did not construe the Senator's observations as being in opposition to the amendment. I may say that I am just as apprehensive as is the Senator from Iowa about the administration not only of this amendment, but of other provisions of law which are vital in our foreign policy. All I am saying is that, so far as the Congress is concerned, and especially the Senate, I think we have done a good job legislatively by providing machinery whereby, if the law is fairly and honorably administered, ECA aid can be cut off in the case of countries which continue to furnish materials to our enemies.

Mr. McKELLAR. Mr. President, has the conference report been agreed to?

The PRESIDING OFFICER. It has been agreed to.

Mr. McKELLAR. I wish to take this occasion to thank my friend, the distinguished Senator from Nevada [Mr. MALONE], for his kindness in yielding at this time.

#### TRADE WITH RUSSIA EXPOSED LONG AGO

Mr. MALONE. Before returning to the subject of the Trade Agreements Act, I want to say a few words about the Kem amendment on the conference report.

Mr. President, on March 4 and 5, 1948, the junior Senator from Nevada placed

in the RECORD a trade treaty between England and Russia. The treaty is in the CONGRESSIONAL RECORD and is available to everyone. The first item in it was 1,100 locomotives.

It also covered 50-kilowatt mobile Diesel electric generators; steam power turbine stations; 500-kilowatt ball mills for copper ore grinding; and many other items. Practically every item could be used to arm Russia. These items were being shipped directly to Russia under a trade treaty.

#### ENGLAND NOT ONLY OFFENDER

England was not the only offender. The junior Senator from Nevada thought he would shock the Senate by placing in the RECORD a list of the trade treaties which the 16 countries which later became Marshall plan countries had at that moment with Russia and the iron-curtain countries.

Everything necessary to arm Russia for a third world war was being shipped. She was receiving materials necessary to enable her to consolidate her gains in the iron-curtain countries.

#### EIGHTY-EIGHT TRADE TREATIES

The following year, in 1949, the junior Senator from Nevada placed in the RECORD a list of 88 trade treaties, many of them made during the year following the initial passage of the Marshall plan, later known as the ECA.

All of the trade information was known to the Senate then, just as it is now. It is no secret, and never has been a secret.

Last year the junior Senator from Nevada offered an amendment to the ECA bill which would have prevented the very thing which now arouses so much disgust, but the Senate voted it down.

#### NOT ONLY TRADE BUT ALSO NONAGGRESSION PACTS EXPOSED

On March 30 or 31 of 1949 the junior Senator from Nevada not only placed in the RECORD a list of 88 trade treaties which were made by the Marshall plan countries during the time they were receiving our direct aid, but he also placed in the RECORD two military and economic pacts made separately by England and France with Russia. Those pacts have 12 or 15 years to run at this date, and no nation which is a party to any of the agreements or pacts has made any move to cancel them.

#### PACTS READ LIKE THE ATLANTIC PACT

Mr. President, I wish to read a few paragraphs from the treaties, one of which was signed in 1942. The first one was signed by Anthony Eden, on behalf of England, and by Vyacheslav Molotov, on behalf of the Soviet Union. The other treaty was made between the Soviet Union and France. Article VI of the treaty between England and the Soviet Union reads:

The high contracting parties agree to render one another all possible economic assistance after the war.

#### Article VII reads:

Each high contracting party undertakes not to conclude any alliance and not to take part in any coalition directed against the other high contracting party.

The other treaty, signed by Molotov, on behalf of Russia, and by Georges Bidault was signed in 1944.

#### Article V provides:

The high contracting parties undertake not to conclude any alliance and not to take part in any coalition directed against either of the high contracting parties.

#### Article VI reads:

The high contracting parties agree to render each other every possible economic assistance after the war.

#### ENGLAND, FRANCE LIVING UP TO THE PACT

Mr. President, they have been living up to what they agreed to do in the economic field. Those treaties are still in full force and effect. Perhaps a resolution would be in order either to have the two economic military pacts canceled, or to have the Atlantic Pact canceled. I suppose the Senate will get around to doing it in about 2 or 3 years. Just as we are doing today.

#### THE WEST IS STILL ARMING RUSSIA

In 1950 the junior Senator from Nevada inserted a list of 95 recent trade treaties between the ECA countries and the Soviet satellites and the U. S. S. R. Many of the old treaties were renewed, and most of the treaties are still in effect. It is not necessary to recall that the junior Senator from Nevada was on his feet time after time talking about trade going from Hong Kong and from Singapore to Communist China. The junior Senator from Nevada was in Singapore in 1948. Shiploads of tin, rubber, and other materials were going to Communist China at that time. They are still going there, or until very, very recently.

Once in awhile a ship is picked up. I hope all ships are being stopped, but I doubt it. In fact I am informed that vital material is still going into Red China.

#### ENGLAND AND FRANCE PACT WITH RUSSIA

On March 30, 31, 1949, I said, in the ECA debate with Senator FORREST C. DONNELLY:

Mr. President, in answer to the Senator from Missouri, I say that not only is there a plain conflict between the pact and that trade agreement, but a similar pact has been made between France and Russia, and still is in effect.

Furthermore, there is a plain conflict between every one of the trade treaties made by the 15 Marshall-plan countries with the countries behind the iron curtain, for we furnish everything they could possibly want to use if they were to go to war against the United States today.

#### KOREA SHOWS THE RESULTS OF OUR ARMING RUSSIA

Mr. President, the Senate had the facts at that time just as it has them today. To digress from the RECORD of March 30 and March 31 of 1949 for a minute: Perhaps 60 percent of the material which is now thrown against our boys in Korea was furnished and paid for by the taxpayers of America, by the fathers of the boys who are in Korea.

That fact has been known to the Senate for 3 years. Russia and her satellites now have the material with which to go to war with us. That material, Mr. President, was furnished by us.



ARMED THE JAPS IN 1937-38

I quote further from the CONGRESSIONAL RECORD:

I recall the situation on the Pacific Coast in 1937, 1938, and 1939. I live at Reno, Nev., 240 miles from the Pacific coast. In those days the United States allowed oil and scrap iron to be sent from the United States to Japan. That was 5 years before Pearl Harbor; and even at that time every veterans' organization was opposed to those shipments.

SENATE APPROVED WITH FULL KNOWLEDGE

They have been opposed to the shipments that have been made in the last 3 years, too, which were paid for by the United States, with the approval of the Senate.

Practically everyone in the United States spoke against those shipments and complained about them—at least, everyone who had any gumption at all did. But did the administration do anything about that? Oh, no. The administration permitted the scrap iron and oil to be continued to be sent to Japan almost up to the time of Pearl Harbor, and then following Pearl Harbor sent our boys out in the Pacific to catch the steel coming back out of Japanese guns with their bare hands.

Mr. President, that is what we are doing in Korea. That is what we will be doing everywhere in the world when there is a likelihood of war with Russia or her satellites.

I continue reading:

Mr. President, that experience indicates what will happen to the steel, the locomotives, and the other manufactured articles and equipment which these nations are sending to Russia now, if we have trouble with Russia.

Mr. President, that was 3 years ago. We are continuing the quote:

YOUNG MEN TO EUROPE

Mr. President, if we continue to make such shipments and if we continue with these pacts and agreements—each one supposed to be a cure-all—I predict that it will not be long before we shall be sending our young people abroad to catch, with their bare hands again, the bullets and shells which will have been manufactured from the equipment and supplies we send abroad; and they will be the sons and daughters of the veterans of other wars, just as our young people who fought in the Second World War were the sons and daughters of veterans of the First World War. Of course, Mr. President, some of the Members of the Senate are themselves veterans of the Second World War.

Mr. President, that was in March 1949.

NATIONS STILL ON DOLE

I say to the Senator from Missouri and to the Senator from Massachusetts that, in my opinion, the Senate does not have the moral right to promote such agreements and keep the 16 Marshall-plan nations on the dole, when today they are sending the munitions of war and the facilities for arming Russia, to enable her to fight us in a third world war.

We knew it then, and we know it now. The amendment which was tacked to the supplemental appropriations bill refers to strategic materials. What are strategic materials? They are shirt buttons, rubber tires, textiles, or anything that can be used in a civilian or war economy. It is necessary to feed an army, and it is necessary to equip it.

THIS AMENDMENT WILL BE EVADED

Mr. President, you will find that the countries will be dodging the issue pre-

sented by this amendment by the mere reasoning that the material is something that cannot be shot out of a gun. In other words, it must be an article that can be used directly for war, according to the reasoning of nations anxious to trade with Russia. It must be steel, ball bearings, or munitions.

CHINA IS NOT COMPLETELY LOST IF WE ACT NOW

Mr. President, if we put a complete embargo on Communist China, she will come back to the Nationalists in a very reasonable time. Even now, after abandoning her for 2 years, if Russia cannot furnish China with what it takes to enable her to get along better than she did before, she will lose it. The Russians must be in a position to say to China: "Look what we are doing for you. We are getting you the materials you need from Singapore, Hong Kong, and other ports."

That is the way Russian has held its satellite nations for the last 5 years. She has been able to get materials for Communist China from the so-called western nations.

If we had had an embargo on Russia and her satellites—and I mean a real embargo, not merely an embargo on strategic material—4 years ago, there would be no satellite nations today.

PROPOSAL TO TAX THE SALARIES OF THE PRESIDENT, THE VICE PRESIDENT, THE SPEAKER OF THE HOUSE, AND MEMBERS OF CONGRESS

Mr. WILLIAMS. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I yield.

Mr. WILLIAMS. Mr. President, on Friday, May 18, 1951, President Truman spoke before the National Conference on Citizenship at the Statler Hotel here in Washington, at which time he called the attention of the country to the grave danger of inflation.

In his speech, according to the press, President Truman showed some of his old 1948 fire, by launching out against what he described as "special interest fellows"; and he followed that by advising the American people to begin taking a greater interest in their Government.

President Truman did not elaborate as to whom he meant when he referred to the "special interest fellows," but I presume he had reference to the General Vaughans, the Maragons and the other 5-percenters hanging around the White House.

But the one part of President Truman's speech which impressed me in particular was a statement which he made while speaking on the inflationary threat, at which time he called attention to the selfishness of certain people, how they were willing to have everybody except themselves make sacrifices.

To emphasize this point, the President is quoted as saying:

Everybody says prices must be held down, but you must hold down everybody's prices but mine. Everybody else must take a cut, but be careful, don't touch mine.

On January 11, 1951, following President Truman's request for additional taxes amounting to \$10,000,000,000, I introduced Senate bill 357, the purpose of which was to repeal the special tax ex-

emptions now being enjoyed by the President of the United States, the Vice President, the Speaker of the House, and the Members of Congress on the basis that the officials of the Government should set the example in making sacrifices. This bill was reintroduced on April 9, 1951, with 34 other Senators appearing as cosponsors.

On January 25, 1951, I directed a letter to the President, asking for his support of this bill.

At this point I ask unanimous consent to have inserted in the RECORD, as a part of my remarks, a copy of that letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 25, 1951.

The PRESIDENT of the United States,  
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: On January 11, 1951, I introduced S. 357, a copy of which is attached. The purpose of this bill is to repeal the special tax exemption which was extended by Congress to you as President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives, and to Members of Congress.

I have always felt that the President, Vice President, and Members of Congress should be adequately paid; however, I believe Congress made a serious mistake when it adopted the principle that a portion of their salaries be in the form of a special tax exemption. Our country was established on the sound principle that we would extend to the ruling class no benefits which were not extended to every American citizen.

Today with our country in the midst of a war and at a time when we are going to be compelled to place an additional load upon the already overburdened American taxpayers, I think that the greatest contribution that you as President and that we as Members of Congress could make to their morale and to the war effort in general would be to set the example by repealing this special exemption, thereby subjecting ourselves to the same rate of taxation as is applicable to all other American citizens.

It was in this spirit that I introduced S. 357, and I would very much appreciate having your support in this proposal. I feel confident that your endorsement would receive the enthusiastic commendation of every American citizen.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS. Mr. President, the fact that the President is allergic to letter writing accounts, I suppose, for the fact that I have not received a reply to this letter. However, in the absence of any direct reply, I presume that his statement of last Friday reflects his position on this bill—when he said:

Everybody else must take a cut, but be careful, don't touch mine.

ASSERTION OF THE RIGHTS OF CONGRESS

Mr. WILEY. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I yield.

Mr. WILEY. Mr. President, throughout my years in the Senate, I have sought to preserve the legislative prerogatives of the United States Congress. I have been concerned at the continuous whittling away of our powers, an insidious process which has been going on since 1933.

In the course of the present joint hearings of the Foreign Relations and Armed Services Committees, I have tried

to get our committee to exercise their lawful powers.

#### 18-8 VOTE WAS BAD PRECEDENT

For that reason, I was deeply disturbed by the very harmful precedent which was established when the committee by a vote of 18 to 8 last Thursday turned down my appeal to require General Bradley to give us the full facts as to the actual conversations in the White House which preceded General MacArthur's dismissal. Mr. President, I respect the convictions of my 18 colleagues in the opposition and I respect their complete integrity, just as I respect my 7 associates who held with me. I respect the right of those 18 Senators to differ with me, but I caution them that they are contributing to the process of the whittling away of Congress' powers. Surely, our Republican forces, in particular, which have so steadfastly fought against the undermining of the legislative branch, will see eventually, and should see right now, that it was most unfortunate that some members of the GOP failed to fight for this historic cause—the independent sovereignty of our branch.

When a duly authorized committee of the United States Congress cannot request and secure the information it wants, then the question naturally arises, "Why have a committee at all?" It is now clear that these two committees will not obtain those facts.

#### I HOPE WHITEWASH WON'T RESULT

It is my earnest hope that this joint hearing will not end up in such a condition as to require the American people to say that it was just another whitewash and washout.

I was quoted as saying the other day that the joint hearing was a whitewash or a washout. I did not say that, however. I said I hoped we would be able to get sufficient facts, and would not, in fact, be held back, so that the conclusion of honest men everywhere would be that the hearing was a whitewash.

At this time I cannot help but think of the argument made by the distinguished senior Senator from Georgia [Mr. GEORGE] who said there is no immunity, and then presented the argument of privilege. I shall not argue that question. However, as I have read the articles appearing in the press, it is very clear that those who wrote the articles have not read the argument of the Senator from Georgia on that subject, nor have they told the facts to the American people.

Mr. President, the fact is that until that time the President had not once indicated to the committee nor has he since done so, that he believed the conversations to be privileged. It was General Bradley who said he had not even talked with the President on the subject of whether those conversations were confidential or privileged. That fact is shown by the record. The law cannot be fitted to the facts until we obtain the facts.

So, Mr. President, the real question is whether General Bradley has a right to claim that those conversations are privileged. Even if he has a right to make that claim, is it not the obligation of the President to disclose the facts?

This issue does not go to the question of public interest, but goes to the matter of whether the people of the United States should be informed of the facts by those who know them. Should those who know the facts be required to inform the people of America why the decision to replace General MacArthur was reached?

Mr. President, we already have had three answers to that question; I understand that another one was given today. I was not in the Senate Chamber earlier today, for I was on my way to Washington, returning from Wisconsin.

So, Mr. President, I have stated that it is my sincere hope that the joint hearing now under way will not end in a condition which will require the American people to say that the hearing was merely another whitewash and washout.

On Friday afternoon, I sent to the distinguished chairman of the Senate Armed Services Committee, the junior Senator from Georgia [Mr. RUSSELL] a letter expressing this fervent hope.

On Sunday morning, I released a statement indicating that I, for one, felt that it might contribute to the national well-being if President Truman were to be asked to testify before our committee. Why should not the President do so? In the White House conversations in regard to General MacArthur was there something really confidential, about which the people should not know? If there was, let the President say so. However, he has not made such a statement, other than to do so, I understand, inferentially to the press.

If the President does not wish to testify before these committees, we cannot compel him to do so. However, there have been hundreds of instances in which Presidents have communicated with congressional committees and have sent to them documents which they have requested. That was my desire in the present case. I had no desire to engage in cheap politics. The two committees are constituted of honorable men. Never in my 12 years of service in the Senate has a suggestion been made that my conduct has been based on cheap politics. I say that these committees and the Senate itself are entitled to the facts in this matter. That is all we wish to have.

As I have said, already there have been three different indications or conclusions as to what the facts in this matter are.

#### JOHN MARSHALL'S STATEMENT

I should like to make certain matters a part of the RECORD. But, before doing so, I should like to quote from a powerful ruling of Chief Justice Marshall, in the Aaron Burr case in 1808:

That the President of the United States may be subpoenaed and examined, as a witness, and required to produce any paper in his possession is not controverted.

The only modification of that rule is that if the President says he will not obey, there is no power to compel him to do so.

The statement I have just quoted was made by Chief Justice John Marshall. No greater lawyer ever lived, and he was the greatest Supreme Court Justice this country has ever had. He made that

statement when our country was in the process of being formed.

The power to subpoena the President and to cross-examine him is not controverted. Let all the individuals who have assumed they know everything about constitutional law ponder that simple direct statement.

Mr. President, I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD at this point—

(a) The release on my letter to Chairman RUSSELL.

(b) The text of a statement which I released on Sunday, relative to possible subpoenaing of the President; and

(c) The text of an editorial as published in the Los Angeles Herald Express entitled "Frustrating the Whitewash."

While my friend, the able Senator from New Jersey [Mr. SMITH], who is mentioned in this editorial, did not vote with our minority in the 18-8 ballot, I know that the editorial will hold great and valid interest.

There being no objection, the letter, statement, and editorial were ordered to be printed in the RECORD, as follows:

#### WILEY PROTESTS TO RUSSELL AGAINST "WHITEWASH" AND "WASH-OUT" TENDENCY OF JOINT HEARINGS THUS FAR

The following is the text of a letter sent by Senator ALEXANDER WILEY (Republican, Wisconsin) ranking Republican, Senate Foreign Relations Committee, to Hon. RICHARD RUSSELL, chairman of the Senate Armed Services Committee. The letter was delivered to Senator RUSSELL's office Friday afternoon, May 18, 1951. In releasing the letter which Senator WILEY asked to be transmitted to the President, Senator WILEY expressed the hope that on the basis of this letter, "the President might reconsider his decision against the disclosure by any of his aides of the facts preceding General MacArthur's dismissal."

#### TEXT

"On Thursday, May 17, in the joint hearings of our two committees, I stated:

"MY DEAR MR. CHAIRMAN: Will the chairman ascertain from the Chief Executive whether he would be willing that the participants in those conversations or gatherings give us what was said and if not (that is, if Mr. Truman refuses) is his refusal based upon the general thesis, that it would be damaging to the public interest if the information were given?"

"You stated in reply that if a letter were addressed to you, asking for such information, you would transmit it 'to the proper authority.'"

"Then I commented: 'You shall receive the letter, sir.'"

"However, yesterday afternoon, the President stated in effect to his press conference that his conversations with his advisers before coming to decisions were his business and his business alone."

"This pronouncement of the President answers quite clearly, albeit very unsatisfactory, one of the questions I was going to ask him in my letter, namely, whether the President would release his staff from any pledge, open or implied, to keep their conversations with him confidential. The President apparently will not release his staff from such a pledge—going on the theory that neither the public nor the Senate has any right to get such detailed information relating to the recall of General MacArthur or for that matter, any subsequent question which we will raise in committee."

"It is my contention that circumstances which led up to a decision affecting the whole future peace of the world definitely



are the people's business and must be revealed to the people's representatives. If the President is allowed to maintain his 'iron curtain' over this information regarding events leading to MacArthur's dismissal, we will never be able to lift the 'iron curtain' over other events which led to the downfall of Nationalist China, the blunders at Yalta, Tehran, Potsdam, and any other critical issues which our committees may want to explore. Now, Mr. Chairman, no one has fought harder than I to preserve the system of checks and balances between three separate and coequal branches of government. But I ask now, How can the Congress check and balance abuses of Presidential power, errors of Presidential commission or omission, if it cannot even get the facts? Are we to legislate in the dark; is the past to be shrouded in secrecy; is our policy in the future to be based on severely limited information?

"We 96 Senators were elected to represent 154,000,000 people. We cannot go back to those people and tell them that decisions affecting the lives of 150,000 American boys fighting in Korea—that such decisions and their origins are 'the President's business and his alone.'

"I want to point out that the President has not stated that the disclosure of the facts as to his conversations, consultations and conversations—that such disclosures would be harmful to the public interest. He has simply stated an arbitrary edict that whether his conversations affect the national security or not, they are nobody else's business but his.

"I hesitate to conclude at this early stage, but I must say that from the way the joint hearings have proceeded thus far they may end up being considered not only a whitewash but a wash-out. I hope that future events may not justify such a conclusion. I am not making these remarks on the basis of any individuals or personalities involved but solely on the basis of objection to the 'cover-up' tactics thus far condoned by the joint committee majority.

"Let me also state that as one who has supported bipartisan foreign policy in Europe in every single one of its stages since the end of the Second World War, I deeply resent any charge or any innuendo to the effect that my own or my minority colleagues' approach is partisan in its goal or in its motivation. We are simply trying to get the facts, letting the chips fall where they may because we feel that a country which has suffered some 66,000 casualties including over 11,000 dead, is entitled to know everything that led up to such losses and worse losses to come so long as such information does not violate national security. It is the committee majority which has been partisan in its frantic desire to cover up and whitewash.

"I would appreciate your courtesy in transmitting this respectful message."

#### WILEY SUGGESTS PRESIDENT TRUMAN MIGHT WELL BE ASKED TO TESTIFY BEFORE JOINT HEARINGS ON FOREIGN POLICY

I believe that it would be very good for our Nation if President Truman were to voluntarily agree to testify before the joint hearings of the Foreign Relations and Armed Services Committees. At first mention of this proposal it might seem that such an idea is completely unthinkable. Actually, however, there are more than ample precedents for such testimony, both on a voluntary or compulsory basis, in the history of our own Government and of other democratic parliamentary systems.

Apparently, President Truman is giving information at his press conferences that we in the Senate have not been able to get at the joint closed hearings. He, himself, has taken on the entire burden of explaining

just how and why the MacArthur dismissal came about. He has said that the decision was his, and that his aides went along with him. But when we asked his aides to give us facts and not merely the conclusions of the White House conversations, they refused to do so, and as a result our committee is stymied.

#### WE RESPECT EXECUTIVE BRANCH'S SOVEREIGN POWER

Naturally, I do not believe that the President of the United States should be examined on the basis of trivial, nonmaterial, frivolous, purely partisan questions. On the contrary, my colleagues and I on both sides of the aisle would fully respect his position as the head of a sovereign and coequal branch of Government.

#### PRESIDENTIAL APPEARANCE COULD ENCOURAGE UNITY

I am firmly convinced, however, that if the President were to appear before us, preferably voluntarily, and were to testify regarding his approach to the crucial issues of our times, it would have a tremendously salutary effect in encouraging as much unity as possible among parties and with the American people.

#### I WANTED EXECUTIVE BRANCH TESTIMONY BEFORE PEARL HARBOR

Back in February and March 1941 I urged the Secretary of State, the Honorable Cordell Hull, to appear in a full Senate session to speak to us regarding the developing crisis in the Far East. Mr. Hull turned down my request. He refused to answer my questions regarding "the condition of our fleet air arm in the Philippines," refused to state (10 months before Pearl Harbor) whether we might be caught (as I implied) the way the Russians were caught in the Japanese blitz attack at Port Arthur in 1905.

In that case the actual power to subpoena the President was conceded by the executive branch.

We all recognize that under foreign parliamentary systems the Prime Minister—the operating head of the executive branch—is called upon constantly to defend his actions before the legislative branch, namely, the Parliament. I am not suggesting that this practice be used in the United States constantly. But I do feel that in a grave crisis such as we are now experiencing—with American boys dying and being wounded in great numbers each month and with the possibility of a third world war hanging over us—Presidential appearance could be most helpful.

#### CHIEF JUSTICE MARSHALL ORDERED SUBPENA ON PRESIDENT JEFFERSON

If the President refused, the joint committee might very well consider subpoenaing him. I want to point out that way back in 1808, President Jefferson was subpoenaed in connection with the Aaron Burr trial. The great Chief Justice Marshall issued a subpoena commanding President Jefferson to appear and to bring certain letters, documents, and copies of orders and instructions given by him to the armed services respecting Aaron Burr.

In that case the actual power to subpoena the President was conceded by the executive branch. Government counsel, William Wirt, merely argued that the documents sought were not relevant, and he had other technical bases for objection to the subpoena.

Chief Justice Marshall ruled "that the President of the United States may be subpoenaed and examined as a witness and required to produce any paper in his possession is not controverted. \* \* \* The President, although subject to the general rules which apply to others, may have sufficient motives for declining to produce a particular paper and those motives may be such as to restrain the court from enforcing its production."

The result of the Burr case was that Chief Justice Marshall very forthrightly asserted and exercised the judiciary's powers to decide whether the executive's claim of privilege was meritorious; it decided in this case that the claim had no merit.

In the current Dollar Line case, the judiciary is once more asserting its rightful power and its intention to command respect of its decisions. Let the Senate similarly preserve its powers and preserve respect of its lawful prerogatives.

#### MY PURPOSE IS CONSTRUCTIVE

I should like to reiterate most strongly that the whole purpose of my approach is constructive and respectful. I have no intention of trying to embarrass the Chief Executive of our country or to impair America's foreign policy. As I pointed out in my letter to Chairman RUSSELL yesterday, I personally have supported bipartisan foreign policy as regards Europe right down the line. I am merely seeking to get the facts before the American people. It would seem odd that the alert, vigilant American press at its regular conferences with the President should be able to get more facts than the American Congress through its duly constituted committees.

#### REPUBLICANS MUST PROVIDE LOYAL, RESPONSIBLE OPPOSITION

I recognize that several of my very able Republican colleagues on the Joint Committee differ with me. I respect the integrity of their convictions, just as I respect the Democratic colleagues of the majority, including the very distinguished chairman, DICK RUSSELL. I differ with the majority Democrats, however, just as I differ with our Republicans who voted with them, because I think it is a particular obligation of the Republican Party to serve as loyal opposition. It is up to us of the minority to furnish constructive criticism in a responsible way of what we feel to be errors of the administration's approach without, however, our forgetting that the interests of our Nation must always come before the interests of party.

[From the Los Angeles Herald-Express of May 18, 1951]

#### FRUSTRATING THE WHITEWASH

The Truman administration's hope of whitewashing the dismissal of General MacArthur through political manipulation of the joint Senate committee's hearings has been frustrated, largely through the efforts of Senators WILEY of Wisconsin and SMITH of New Jersey.

The administration succeeded in preventing public hearings, which would have made the entire testimony available to the American people hour by hour as it was given.

The administration has won the privilege of censoring the testimony before it is released for publication.

As the administration's first spokesman before the committee, Secretary of Defense Marshall undertook to refute General MacArthur's concise, forthright and irrefutably logical plan for winning the war in Asia by muffling it in half-truths, whole smears, evasions and confusion.

But he has not been permitted to do that.

Senators WILEY and SMITH, by pressing him with shrewd and specific questions, have elicited a much sharper and far uglier impression of the administration's dealings with General MacArthur and the Korean war than that which Secretary Marshall had undertaken to present.

Admissions extracted from him by the two insistent Senators clearly indicate that there was bitter and persistent enmity against General MacArthur in the Truman administration, and that the administration welcomed the opportunity to dismiss

him on a pretext that it thought, mistakenly, would satisfy the public.

And further admissions drawn from General Marshall make it clear that the administration, while rejecting General MacArthur's plan to end the war in Korea, has no plan of its own for bringing the fighting to a close in the foreseeable future.

If we are to escape from the costly stalemate in Korea without a long-continued slaughter of American fighting men, the American people and the American Congress must know who is influencing the administration's confused and contradictory foreign policy and in whose interest the policy is being guided.

Senators WILEY and SMITH have rendered the Nation a great service in the progress they have made toward exposing the facts the people should know.

Let us hope they will continue their labors with growing success and that other Senators, both Republicans and Democrats, will join in the process with equal vigor and determination.

Mr. WILEY. Mr. President, as I have said, I have just returned from Wisconsin. An editorial has been called to my attention, entitled "End of Appeasement," which appeared in today's Washington News. I think it very relevant to the statement which has been made by the distinguished Senator from Nevada, and I ask that it also be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### END OF APPEASEMENT

The State Department has ended its 6-year flirtation with the Chinese Communists.

It now denounces the Peiping regime as part of the "Communist conspiracy" and implies willingness to help the Chinese people if they will revolt against their Red masters.

Dean Rusk, Assistant Secretary of State for Far Eastern Affairs, who announced the new policy, also pledged important aid to the Chinese Nationalist government in Formosa.

But, he said, such aid of itself can't be decisive unless the Chinese people decide for freedom and find added strength from those who refuse to believe that China is fated to become a land of tyranny and aggression.

So, for the first time, the State Department recognizes the Chinese Nationalists as allies in a common struggle against Communist aggression. And, for the first time since 1946, it makes a friendly gesture toward them.

It was in August of that year that President Truman accused "political reactionaries" in China of obstructing their country's welfare and "failing to understand the liberal trend of the times" because they opposed his plan for a coalition with the Communists.

The damage done by the disastrous policy of 6 years can't easily be repaired. But if Mr. Rusk's speech means what it seems to mean—a permanent end to appeasement of the Chinese Reds and no sell-out of Formosa—that is a distinct gain, which should help make it possible to form a truly meaningful united front against Communist aggression in Asia.

It also should now be possible for the State Department and the British Foreign Office to get together on a policy toward Asiatic communism, bringing the attitudes of the two major allies into harmony throughout the world. There is urgent need for that, since much more positive measures may be necessary in Korea if the Reds continue to pour in reinforcements. Neither there nor anywhere else can negative and divided policies hope to combat communism successfully.

As Senator DOUGLAS, of Illinois, points out, the Communists have been permitted to take and keep the initiative in propaganda, cultural activity, and political fields, as well as in military matters, and it is time for counterattack. His idea is not only to use active propaganda but also to aid resistance movements, much as Russia is supporting the activities of Red fifth columns in almost all countries.

Opposition to communism exists in all the Red satellite states, and movements working to undermine Moscow's control should be supported. Such underground movements, given intelligent and determined encouragement, might become the instruments of Soviet defeat.

Russia's gains have been made by measures short of war. There should be enough brains, enough ingenuity in the Western World to devise a plan for thwarting Russia's purposes without using the A-bomb or maintaining a state of defensive mobilization for a generation or more.

Mr. KEM. Mr. President, will the Senator yield for a question?

Mr. WILEY. I am very happy to yield.

Mr. KEM. I know the distinguished Senator from Wisconsin has made some study of the historical precedents in this case. I should like to ask him whether President George Washington did not voluntarily appear before committees of Congress to testify.

Mr. WILEY. I am not satisfied as to how I should answer that question. I do not think I should at this time seek to argue the legal principles. The only thing I wanted to make clear, so far as I was concerned, was that I thought the President of the United States should be requested to appear before the two committees sitting jointly to tell the facts, inasmuch as General Bradley without even consulting the President raised the question of confidential communication; that the President of the United States should release General Bradley and others from an implied restraint, if that is what General Bradley considers it to be, and should indicate that this is not a controversy between the President and General MacArthur. The two committees, sitting jointly, have been constituted by this august body to conduct an investigation, and I am sorry to note that, already, too many members have taken the position that they are advocates, not investigators. The duty of each member of each of the two committees is to avoid taking sides at this time. The object of each individual should be to become an investigator, for the purpose of obtaining the facts and reaching the truth.

Mr. MALONE. Mr. President, since a digression has occurred, here, I ask unanimous consent that all this debate appear at the end of the debate on the pending question.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REAL POINT AT ISSUE

Mr. MALONE. I should like to say that the question in the debate and in the committee hearings, I fear, has been diverted to the question of who said one thing or another, or to matters of personalities of one kind or another, when the point at issue, as pointed out on April 18 by the junior Senator from Nevada in an address to the Senate, prior to the arrival of General MacArthur, boils down

to whether we are to allow Russia to finesse control of China. Nearly all authorities agree that Russia cannot get into this war on a sustained basis with a 3,500 mile single-track railroad for supplies from the Ural factories, but the Russians do have a considerable number of planes—also factories to equip the Communist forces if they are to enjoy a sanctuary while arming and equipping the forces of Communist China.

#### MURDERING NATIONALIST LEADERS

During that time they are cutting off the heads of all the people who do not agree with them, as they are captured, then they will proceed through Indochina and the Malayan States and Siam, and control Asia.

The difference in judgment is whether we should blockade the coast of China and destroy the war-making industries in Manchuria, and blockade the east China coast. China had attacked us and given us an opportunity to destroy her war-making industries and to turn Chiang Kai-shek loose and turn the war back into a Chinese civil war.

The question was whether we should win the war in that manner or whether we should hold our troops in Korea and cause them to fight in the fashion of a football game, using the thirty-eighth parallel as a sort of line of scrimmage, or demarcation, passing the ball back and forth. If we continue to fiddle around in the middle of Korea until Russia controls all of China, and then all of Asia. Europe will fall of her own weight when Russia is ready to move regardless of how many troops there may be in Europe.

If we destroy China's offensive power now in that manner she could be of no further help to Russia for a considerable time and China and Asia may be saved from the Communists.

#### TVA ANNIVERSARY AND ST. LAWRENCE SEAWAY

Mr. HUMPHREY. Mr. President, it was my intention on Friday last, May 18, to address myself to the subject of the Tennessee Valley Authority anniversary and also make some appropriate remarks in reference to the St. Lawrence seaway.

Mr. President, I now ask unanimous consent that my remarks prepared on those subjects be printed in the body of the RECORD in the form of a statement commemorating the anniversary of the Tennessee Valley Authority, and pointing out the strategic importance to our national security of the immediate passage of the bill dealing with the St. Lawrence seaway. I earnestly solicit the attention of my colleagues to the importance of the construction of the St. Lawrence seaway, commending to their consideration the national security elements involved, and the importance of the development of industry, commerce, and agriculture in the great Midwest.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR HUMPHREY—TVA ANNIVERSARY AND ST. LAWRENCE SEAWAY

On May 18, 1933, the Tennessee Valley Authority came into being. That was 18 years ago today—an 18 years which have



seen the valley of the Tennessee turned from a depressed, flood-ridden, wasted area to one of green fields, growing industries, dams, and powerhouses. It was an 18 years which began with a creative idea—that it is possible, through effective planning, to develop an entire region. It was an 18 years which saw that idea plucked from dreamland and planted in the land of reality. It was an 18 years of germination, growth, and of great and full fruition.

On this day I feel it would be particularly appropriate to review in part the accomplishments and history of TVA and to reflect briefly on the meaning of the non-existence of another of this country's proposed regional projects—the St. Lawrence seaway.

It is not strange that these two huge river developments should be linked together in my mind, for one is merely the completed form of what the other should be. A person, if he is intelligent, learns from experience and likes to apply the learning from that experience to other experiences. This is what I and millions of people in the United States would like to do with our TVA experience. We would like to see the lessons learned there, which have benefited so greatly not only the people living in and near the river basin, but also those living in every State of the Union—we should like to see the lessons learned in TVA applied so that the millions of people living in the vast area serviced by the St. Lawrence and, in fact, the country as a whole, may reap the uncounted benefits from the development of that river.

In the years before 1933, the Tennessee, an angry, turbulent destroyer of life and property as it ran in flood year after year, was a potential giant of undeveloped power and a possible valuable addition to America's inland waterway system. At the same time, the valley of the Tennessee was annually drenched with more rain than any other region in the country except the Pacific Northwest. And the temperate climate of the valley allowed for a growing season longer than most other large areas in the country.

Here were priceless natural assets—abundant rainfall, moderate sunshine, a river which could be made navigable, and power-potential of large-scale proportions.

But there was a factor lacking in the Tennessee Valley, one which prevented this great endowment of nature from being used to advantage. There was lacking the vision and power of the human being. Mankind had not kept pace, and, as a result, the land of the Tennessee Valley lay idle and uncovered during much of the growing season, the soaking rain washing away more and more of its topsoil and leaving vast stretches of useless eroded acres. Navigation of the river was virtually impossible, and floods pervaded the region contributing to crests on the Ohio and Mississippi Rivers.

Out of the valley went the raw materials produced on its farms and forests to be made into finished products in other regions. As a consequence, the wealth that comes from human skills and machine production in the processing of these raw materials enriched other regions but added nothing to the valley. Many men and women migrated from the valley to work in the processing factories, and so out of the valley went not only its raw materials but its human resources as well.

These were some of the problems of the Tennessee basin which led men of vision like Franklin Roosevelt and George Norris of Nebraska to propose a Federal project cutting across seven States for the purpose of harnessing the river and developing its valley for the use of its 4,500,000 people. At the same time they any many others proposed to make use of the obsolete and idle nitrogen and fertilizer plant at Muscle Shoals, Ala., built in World War I.

And so the Tennessee Valley Authority was born. Congress gave it certain specific tasks to perform. It was to achieve (1) the maximum amount of flood control; (2) the maximum development of the river for navigation purposes; (3) the maximum generation of electric power consistent with flood control and navigation; (4) the proper use of marginal lands; (5) reforestation; and (6) the economic and social well-being of the people living in said river basin. Here was as challenging a task as any Government agency in the United States had ever been asked to perform.

Eighteen years have passed since these instructions were made to TVA. There can be little doubt, when one looks at the history of the accomplishments of TVA, that the 18 years have been profitable ones, for the achievements of the region have been great. They have been so great, in fact, that the Tennessee Valley Authority concluded in its 1951 annual report to Congress that "the Valley is ready to meet effectively whatever normal or emergency demands are made upon it." And this in a year of great national emergency when the full power and resources of the Valley will be brought into play.

The act creating TVA called for the maximum amount of flood control. In response TVA has built 18 major dams and has integrated them with 10 previously existing dams into a single system of flood control, thus transforming a portion of the Tennessee River Valley into a 12,000,000 acre-foot storage space for flood control. This system of 28 dams and reservoirs has already prevented \$45,000,000 in flood damage to one city alone, Chattanooga, Tenn. It can reduce flood crests by 2½ to 3 feet on the lower Ohio and Mississippi Rivers, providing protection to 6,000,000 acres of rich bottom land located outside the Tennessee Valley. In January of last year, many millions of dollars of flood damage were saved when the Mississippi flood crest at Cairo, Ill., was reduced 2 feet by the operation of the TVA reservoirs. In January of 1946 one of the great floods of the river's history developed, but the dams held the flow and disaster was thwarted. Certainly one of the most dramatic results of the Authority has been its control of winter floods.

A second purpose of TVA was to develop the Tennessee River for navigation purposes. Since 1933, a 630-mile navigation channel has been dug from Knoxville to Paducah, where the Tennessee joins the Ohio. In 1949, the new channel carried freight amounting to 15 times the ton-miles carried before TVA began. This, of course, has meant a substantial annual savings in transportation costs involving especially products of higher values, such as coal, oil, grain, and steel. An avenue of water has been created between the valley and the Middle West.

A third task for the Authority was to maximize the generation of electric power, this to be done by means of the same dams which control the flood waters and provide a channel for navigation. Since the inception of TVA, a million consumers receive 12 times as much electricity as the same area produced in 1933. The power reaches the consumer through 145 publicly owned municipal and rural electric cooperative systems. These local distributors buy their power from TVA at wholesale rates and sell it to their consumers at low retail rates. The revenue from power sold by TVA is sufficient to pay for all operating costs of its power system and, in addition, has netted TVA an annual average of more than 4 percent return on its total power investment.

As I stated, the electric retail rates to consumers have been low. In the TVA area, the average rate for residential use is less than 1.5 cents per kilowatt-hour; in the United States, the average is 2.9 cents. These retail rates permit an increased use of electricity.

In the TVA area the average annual use is more than 3,200 kilowatt-hours by a residential consumer; the average in the whole of the United States is about 1,825.

Perhaps a more significant set of figures, one that reflects the great economic change in the region, is the percentage figure showing the number of electrified farms in the region and the per capita income figures. In 1933 about 3 percent of the Valley's farms had electricity; today, more than 85 percent are electrified. In 1933 the per capita income of the area was 40 percent of the national average; it is now 60 percent. These rising incomes resulting in increased purchasing power permit the people of the Valley to purchase goods from every State of the Union in ever-increasing quantities. It must be remembered that any improvement in any region of the United States must necessarily work an improvement in the whole of the United States.

The 1933 act creating TVA asked the Authority to provide for the proper use of marginal lands, or, in other words, asked for the development of new agricultural techniques. The carrying out of this provision is probably the most stimulating and heartening aspect of TVA, the first of importance among its manifold accomplishments. In improved agricultural techniques to capture the soil and to put it to use we find the real essence of TVA. Here is man and nature working together to restore life to the land.

It is estimated that given the present rate of erosion in this country, our people will no longer be able to feed themselves 50 years from now. This is a startling thought when one considers the vast expanses of land in this country.

TVA, through its continuous research into agricultural technology, through its chemical plants at Muscle Shoals which produce new and improved fertilizers, through its reforestation program, through its demonstration farms throughout the area, has so far saved about 3,000,000 acres of soil. And millions more will be saved in time. Stories are manifold of the progress of the Authority in this sphere of its work—stories of the 65,000 farmers who are using new mineral fertilizers to redeem their eroded acres; stories of the million acres of cover crops which have replaced the row crops of corn, cotton, and tobacco on the hill slopes; stories of the 205,000,000 tree seedlings provided by TVA for planting on eroded and abandoned lands. Time does not permit telling these stories in any more detail, but the facts are to be had. An evening's reading of the tale of the TVA in this human sphere will leave the reader breathless with wonder at the good that can be accomplished when people, government, and nature combine their resources for improvement.

Important in the development of TVA the valley has been the TVA's efforts to encourage the State and local agencies and institutions to take responsibility for leadership and technical service to the people of the valley. Behind the physical improvements undertaken by TVA has been a philosophy reflecting a greater purpose—that of building local strength and autonomy. Where there was no State agency to take on the work of TVA within the competence of the State, such as State planning boards, State park agencies, State fish and game commissions, TVA helped the State to establish and develop such an agency and encouraged it to take on as much of the work of the Authority as it could manage. Gradually the States have assumed a greater proportion of the responsibility for the development and improvement of the area, thus leaving the Authority to go on to problems of greater scope. Technical and financial assistance from the Federal level thus become the seeds for local programs, locally directed and controlled, and ultimately paid for out of higher incomes in the area.

TVA is based on the thesis that the whole country benefits as each region builds a stronger economy upon the native characteristics and resources that mark it as a region. This thesis is stated most simply on the tablet which each of TVA's units bears: Built for the People of the United States.

The success story of TVA can lead only to the conclusion that this thesis on which it has been built is a true one. The whole country has benefited in many obvious and many less obvious ways from the active presence of the Tennessee Valley Authority. And it will benefit even more as the region is developed to its maximum potential. During World War II and today as we enter another period of national emergency, TVA assumes an even greater importance to the welfare of the entire country. The last war saw the establishment of the Oak Ridge, Tenn., atomic energy plant and the rapid expansion of aluminum production in the area. The location of the Oak Ridge project in the Tennessee Valley was largely determined by the fact that TVA was in a position to make the required power available. The new emergency will undoubtedly bring other national defense projects. We citizens of the United States must, I think, give a vote of heartfelt thanks to those so-called visionaries 18 years ago who fought for the development of this now vital sector of our country.

Today, and for many years now, there has been an imperative need in this country for another large-scale river development—that of the St. Lawrence. As this country comes closer and closer to all-out war once again, we realize with more and more clarity the serious handicap under which our economic mobilization effort is working because of the critical shortages of transportation and electric power in the northeastern section of our country.

It is nothing short of a crime against national security and the cause of freedom that the St. Lawrence seaway and power project remains unbuilt. There can be little doubt that the refusal of Congress to pass this vital legislation because of the false fears given it by powerful defenders of monopoly and scarcity in this country, endangers the security of the United States, of Canada and of our allies.

These are strong words and they are serious words. But these are serious times and little can be gained from cautious attendance to conventionalities. On the other hand, much can be gained from legislation providing for Great Lakes-St. Lawrence River basin development.

What would be gained? The opening of the interior of the North American continent to world trade. A vast increase in vitally needed electric power for residential and industrial users in New York and New England. The break-up of the dangerous transportation bottleneck that has backed up the shipment of grain and other farm products and slowed down the movement of industrial materials and finished products. Cheap water transportation for 50,000,000 people in the Great Lakes and St. Lawrence tributary area. A continuation of ore shipments to the country's steel mill centers as the supply of Lake Superior ore diminishes.

These are great gains—gains that will add wealth to our economy, gains that will provide us with additional national security, that will open up the whole Midwest to the avenues of world trade.

The St. Lawrence Seaway project has received unstinting support from the people of Minnesota who realize that with the building of the 113-mile channel in the St. Lawrence, their farm products, their wheat and flour, flaxseed and dairy foods, their lumber, farm machinery and other manufactured products will find a ready market in world trade. And in return the wealth of the world will pour back to the people of Minnesota.

Minnesota's cities on the shores of Lake Superior will become busy ocean ports on the completion of the St. Lawrence project, and with the consequent growth in agriculture, manufacturing, and shipping, the whole of the State's economy will be immeasurably improved. This, of course, would be the result for all the States of the Midwest, for the industrial State of New York and for New England, and for the western States which pour their goods into the east-bound transportation system of the United States.

I should like to dwell a moment on a particular problem which not only the State of Minnesota must face in the coming years, but also the whole of industry in this country, and, therefore, this Nation's entire economic force. It is becoming well known that the high-grade iron ore from the Lake Superior region, which supplies nearly 85 percent of America's vital steel industry, is gradually being depleted. Experts say that in 20 years, at the very latest, especially if this country becomes bound up in the demands of another war, the steel mills will need other sources of iron ore.

Iron ore in the future will come from Venezuela, Chile, Labrador, and perhaps other unfound deposits. This could well mean, and certainly would mean, that, unless the St. Lawrence project becomes a reality, steel mills will relocate near coastal ports so as to be readily accessible to the ore. Needless to say, the economy of the Midwest would suffer tragically. And Minnesota's iron-ore towns on the Mesabi and the Cuyuna would become ghost towns long before the supply of ore there could become anywhere near exhausted.

Now it is completely unnecessary that the entire industrial economy of the whole Midwest should be disrupted in this way. With the building of the St. Lawrence seaway, the steel mills would continue to have immediate access to the foreign ores coming in to supplement the ores of the Minnesota range. The steel industry would have the assurance, which it does not have today, that there would be no need for locating itself elsewhere.

And we must here give thought, too, to the national security demands of the country. Ores and shipping of all kinds coming into the Middle West would have in the St. Lawrence seaway a protected route, which would not be the case if all shipping to this country continues to arrive through coastal cities. This is a consideration which should be particularly noted in this age of potential destruction of strategic cities by bombing raids. It would seem to be axiomatic that steel mills, so vital to the preservation of this Nation, should not be forced to locate themselves along the coasts of the country.

It is unbelievable that the St. Lawrence seaway, a project which is expected to be self-liquidating in 50 years, has not been completed long before this year of 1951. For 25 years we have been considering this project in the Congress. I say it is unbelievable that the St. Lawrence seaway is not a reality. I should say, it would be unbelievable if one did not take into consideration the seaway's opponents. Throughout this long period the railroads and power companies of the Northeast, who mistakenly feel that business would be taken away from them, have been fighting the seaway. I pointed out earlier in this talk that people learn from experience. I should have said that some people learn from experience. Certainly, the railroads and the electric power concerns have not done so here. They forget the days of the railroads' opposition to the building of the Panama Canal on the assumption that the business of the roads would fall off if the Canal were dug. As it turned out, the increased trade which resulted from the Canal brought unreamed-of profits to the transcontinental roads. The power companies in the Tennessee Valley fought bitterly the proposed creation of the TVA. Today they are

enjoying higher profits than they ever had in the past.

Again the thesis on which TVA was built comes to mind. "The whole country benefits as each region builds a stronger economy and utilizes the resources that mark it as a region." As any section of the country increases its standard of living through economic development of that section, the Nation as a whole gains in strength. The completion of the Great Lakes-St. Lawrence seaway can have no other result than the constructive improvement of every State in this Nation. It is imperative that the Eighty-second Congress authorize its construction.

#### RECESS

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 22, 1951, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate May 21 (legislative day of May 17), 1951:

##### ATOMIC ENERGY COMMISSION

Henry DeWolf Smyth, of New Jersey, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1956. (Reappointment.)

##### UNITED STATES ATTORNEY

Noel Malone, of Mississippi, to be United States attorney for the northern district of Mississippi, vice Chester L. Sumners, term expired.

##### IN THE NAVY

The following-named midshipmen (aviation) to be ensigns in the Navy, to rank from the 1st day of June 1951, in lieu of ensigns in the Navy, to rank from the 5th day of June 1951, as previously nominated and confirmed:

Richard F. Ballew, Jr.  
Paul J. Melee

The following-named midshipmen (aviation) to be ensigns in the Navy, in lieu of ensigns in the Navy, as previously nominated, to correct names:

Roy C. Pichler Robert DeL. Schubert  
George C. Schnitzer Davis W. Tompkins

William H. Posladek (Naval ROTC) to be an ensign in the Navy.

Joseph P. Goodson, civilian college graduate) to be a second lieutenant in the Marine Corps.

The following-named (civilian college graduates) to be second lieutenants in the Marine Corps, in lieu of second lieutenants in the Marine Corps (Naval ROTC) as previously nominated:

Harry E. Atkinson	Benjamin C. Pratt
James F. Coley	John P. Recher
James P. Connolly II	John B. Reynolds
David D. Francis	Walter A. Robertson
John H. House	John J. Ross III
Joseph F. Inman, Jr.	Paul A. Shrader
Branch Jordan	William J.
William D. Lauer	Southerland, Jr.
Martin I. Penner	Charles C. M. Woodward
Fred D. MacLean, Jr.	Thomas V. A. Wornham
Richard C. Marsh	
Clarence E. May, Jr.	
Martin I. Penner	

Ross D. Alexander (civilian college graduate) to be an ensign in the Medical Service Corps of the Navy.

The following officer of the Marine Corps for permanent appointment to the grade of first lieutenant for limited duty:

Fred K. Thornton



Kathryn M. Nau to be a lieutenant in the Nurse Corps of the Navy, in lieu of lieutenant in the Nurse Corps of the Navy, as previously nominated, to correct name.

#### WITHDRAWAL

Executive nomination withdrawn from the Senate May 21 (legislative day of May 17), 1951:

#### POSTMASTER

John M. Allred Collins, Miss.

## HOUSE OF REPRESENTATIVES

MONDAY, MAY 21, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal Lord, our God, as we draw nigh unto Thee, compelled by our necessities, constrained by Thy love, and encouraged by every gracious invitation and promise in Thy Holy Word, we pray that we may be inspired with a nobler sense of personal integrity and social responsibility.

Show us how we may be better men with a higher regard and reverence for the principles of righteousness and justice.

Enlarge our feelings of compassion and concern for the hungry, the homeless, the hopeless, and all Thy needy children.

We penitently confess that in the area of human relationships we are frequently so thoughtless and inconsiderate, so selfish and supercilious.

Help us to understand that no man liveth unto himself and that our fate is bound up with the fate of men everywhere.

Grant that we may see more clearly that if our vexing social, economic, and international problems are ever to be solved then the soul of men and nations must be touched and transformed by the spirit of brotherhood and good will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, May 17, 1951, was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2685. An act to authorize the Administrator of Veterans' Affairs to reconvey to Tuskegee Institute a tract of land in Macon County, Ala.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 718. An act to authorize the lease and purchase by the United States of the Young Men's Christian Association Building and premises in Phoenix, Ariz.;

S. 831. An act to amend the Veterans' Preference Act of 1944, as amended, so as to provide for designated representatives thereunder of certain veterans' organizations;

S. 1039. An act to amend the provision of the Officer Personnel Act of 1947 relating to the composition of boards for the recommendation of rear admirals of the Navy for continuation on the active list, and for other purposes;

S. 1230. An act to authorize the acceptance of conditional gifts to further the defense effort; and

S. 1244. An act to amend the Federal Civil Defense Act of 1950 to except the Territory of Alaska from certain restrictions upon the making of Federal contributions, and to amend the provisions thereof relating to the taking of oaths by certain civil defense personnel.

#### YOUTHS OF AMERICA

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, as the spring waxes green and balmy, the migration to our Nation's Capital increases in tempo, especially with the influx of thousands of school busses, bringing a couple of million bright, eager, young citizens, to gaze, wide-eyed at Washington's splendor.

These young folks never forget a sojourn of this kind. It remains indelibly stamped upon their minds as a great milestone.

It seems tragic that there is very little personal touch on the tours they take about the Capitol, the beautiful grounds, and the historic settings of this great national shrine.

Because of the lack of this touch, I suppose, to many, there is not enough of the glamour, the color, the imagination to visualize the vivid action of events through our history which have produced such drama and made our history so interesting.

It would be more conducive, I believe, to reality and to the assimilation of significance in every youngster's mind, if he had the assistance of some outstanding person by direct word to point out to him the greatness of our heritage.

I believe all these school groups visiting Washington should be greeted by a speaker of prominence, in the dome room or on the Capitol steps. Here could be developed the theme of our country, our Constitution, and the meaning of the Republic.

Here could the hand of welcome be extended in a more personal way than is now in practice.

Of course, insofar as my own district is concerned, everybody knows that the school kids come right to my congressional office, unless somebody back home has used political pressure or scared some professor.

By visiting me the young people are assured of an illuminating talk on Washington, a nice flag book, a map of the District of Columbia, and a blotter with your Congressman's picture on it.

I always urge all school groups from back home to make my Washington office their headquarters, and most of them take advantage of it.

But in lieu of such a practice I believe the plan I have already suggested should

be used. I am, therefore, introducing the following:

A bill providing instruction of young people in the affairs of government

Whereas the youth of America is the most valued treasure we as a Nation possess; and

Whereas we who call ourselves leaders must meet the responsibility of giving our boys and girls the guidance and assistance necessary to help them in their honest desires to become good citizens and real Americans; and

Whereas the corridors of this Capitol are overflowing with boys and girls from all over the country, bright young students at life's most impressionable age and yet they receive very little recognition from the heart of our Government; and

Whereas their youthful enthusiasm and interest could be stimulated to a much greater degree than at present by inspiring words from outstanding Americans, pointing out to them that, despite sensationalism of headlines from time to time, there are good, honest, sincere, hard-working Government officials, Members of Congress, Senators, judges, who work faithfully to keep and protect that priceless heritage of American citizenship: Therefore

Be it enacted, etc., That a national committee of representative Americans, selected from veterans groups and other patriotic organizations be appointed by the Speaker of the House of Representatives to welcome our young people visiting the Capitol and providing them with a few personal words of enlightenment and encouragement.

There is a letter which deplores this situation and emphasizes the case in point. It appears in the May 3 issue of the CONGRESSIONAL RECORD and was placed in the Appendix by Senator KEFAUVER. It was signed in the name of Charles Kress.

I assume this writer is none other than the one-time mayor of Binghamton, Charles W. Kress. If so, this represents the thinking of the foremost and most powerful Republican leader of Broome County.

The influence which Mr. Kress exercises in the Republican circles of our section is second to none. He moves constantly from our section to Washington and to Albany and other capitals and is further recognized as an outstanding Republican leader in those spheres of influence. Our local newspapers testify to this.

Of course, I have always been regarded as an outsider when it comes to being considered a political leader, and for this reason I can pick up only the most fragmentary crumbs of information that are thrown from the tables of the mighty in my native county.

However, I have been given to understand by sources close to those who know that when the mantle of leadership is relinquished by our present titular head of Broome County, it is going to be draped over the shoulders of Mr. Kress.

#### SPECIAL ORDER GRANTED

Mr. FORD asked and was given permission to address the House today for 1 hour, following the legislative program and any special orders heretofore entered.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to

revise and extend my remarks and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. SIMPSON of Pennsylvania addressed the House. His remarks appear in the Appendix.]

#### SECRETARY OF STATE ACHESON

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, in signing the resolution recommending that Secretary of State Acheson be replaced immediately by a new Secretary in whom the people can have confidence, I wish to make it quite clear that, in my opinion, no question is raised about either Secretary Acheson's integrity or devotion to duty. In many respects he is a man of great ability.

However, events have shown him to have been consistently and tragically wrong in his far-eastern policy. His policy has resulted in a great people, the Chinese, being subjected to the tyrannical and godless slavery of communism fostered by imperialistic Russia. It has resulted in this Nation becoming engaged in a bloody war wherein we have suffered more casualties in less than 1 year than in an entire year of World War II.

And looking at it from the other side, we are engaged in a horrible strategy named Operation Killer, the object being to kill so many Chinese that they will quit. This is our peace plan.

Some say that Mr. Acheson was merely carrying out the policy set by President Truman. Perhaps that is so, but unlike the British system of government, we do not change the head of our Government when the people have lost confidence in a basic policy. We need to regain the confidence of the people in order to establish national unity. Mr. Acheson has become the symbol of our ill-fated eastern policy and he should go.

#### FABULOUS CHERRY COUNTY

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include an item from a newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the Bureau of the Census has just released its report on Cherry County, Nebr., showing that it still retains its place as the leading county in the United States in the production of cattle. The 1950 Census tabulations show that between 1945 and 1950 Cherry County increased the number of cattle on its ranches from 237,888 to 268,456. During 1949 Cherry County ranches sold 100,000 cattle and calves for more than \$13,000,000. There are more cattle in Cherry County than people in the city

of Omaha, the Nebraska metropolis and almost as many as the total population of the Omaha metropolitan area. Under the headline "Fabulous Cherry County," the Grand Island (Nebr.) Daily Independent editorialized:

Cherry County, Nebr., has 5,982 square miles of area. It is larger than the combined States of Delaware and Rhode Island. It is larger than the State of Connecticut. Its area exceeds that of Buffalo, Hall, Merrick, Hamilton, Howard, Sherman, York, Polk, Greeley, and Valley Counties combined.

The census of 1950 shows that Cherry County had on its ranches last year 268,456 cattle, compared with 237,888 5 years before. Nearly 100,000 cattle and calves were sold during the year for more than \$13,000,000. No other county in the United States—including Texas, suh—can equal this record. Farms and ranches in Cherry County are on a par with the gargantuan nature of the county. The average size of each farm last year was 4,084.5 acres, and the average value of the 866 farms in the county was \$61,443, more than double its value 5 years before.

A veritable John Bunyan among counties is Cherry.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. YORTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. YORTY addressed the House. His remarks appear in the Appendix.]

#### ESTATE OF ROBERT D. JOHNSON

Mr. STANLEY. Mr. Speaker, I offer a resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read as follows:

*Resolved*, That there shall be paid out of the contingent fund of the House of Representatives to the estate of Robert D. Johnson, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed \$350 toward defraying the funeral expenses of the said Robert D. Johnson.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### ADDRESS OF THE PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD an address made on May 18 by the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The address is as follows:)

ADDRESS OF THE PRESIDENT AT THE ARMED FORCES DAY DINNER, STATLER HOTEL, WASHINGTON, D. C., MAY '8, 1951

Mr. Chairman, General Marshall, distinguished guests—the Armed Forces of Japan and Korea, and our gallant allies who are alongside our Armed Forces in Korea, I want to impress upon you, on this second anniversary of Armed Forces Day, that we are in the midst of one of the greatest crises this country has ever faced.

You fighting men, and you fighting allies in Korea and Japan, are holding the line,

while we endeavor at this end to attain a peaceful settlement of the situation in the world.

For five and a half long years, we have been striving to attain a peace in the world that would be lasting.

We did not institute aggression in Korea. We did not institute aggression in Greece. We did not institute aggression in Berlin.

We do not want war. We want peace.

The United Nations was organized for the purpose of enforcing the peace in the world.

When the North Koreans and Chinese began their aggressive attacks and marched into South Korea, a Republic which had been set up by the United Nations and under their aegis, it was necessary that the peace-loving nations of the world enforce that peace, and stop the aggression.

And that is exactly what we are trying to do.

When we sit here tonight, in our evening clothes, partaking of food on white tablecloths, and enjoying ourselves in other ways, bear in mind that there are men fighting and dying in an endeavor to reach that peace for which we have been striving since World War II ceased.

Remember that these men are baring their breasts for liberty and unity in the world.

It is necessary that the people of the United States, the greatest and most powerful free nation in the world—and I say that not in a bragging way, but because it happens to be the truth—the people of the United States have assumed the responsibility which no other nation in the history of the world has assumed.

We are the leaders of the free peoples of the world. It is necessary that we display that leadership, and we must display it here at home by a unity so that those young men on the battlefields of Korea shall not die in vain, so that those young men in Korea may accomplish the purpose for which they are fighting.

It is necessary that you here at home remember that this is a world crisis, that this crisis must be met through the leadership of the United States of America, and it is up to you people here at home to see that that is accomplished.

In order to accomplish that purpose, you must quit your bickering here at home, you must quit playing petty politics, you must remember that there are certain things that have to be done here at home, if we are going to accomplish the purpose.

We are fighting for time. The young men in Korea and Japan are fighting for time—for us.

There is always an emphasis on the casualties in Korea. Of course, when there is fighting, there are casualties.

But did it ever occur to you that if this necessity with which we are faced is not met, that the casualties in Korea will be one small drop in the bucket from one of those horrible bombs of which we talk so much.

Think—think—think what a responsibility your President faces in a situation of this kind. If you would think, and think clearly on this subject, you would get behind me and help me to win this peace.

And that is what I am asking you to do.

And that is what our Armed Forces are in the field to do.

It is up to you.

We have the greatest defense organization in the history of the world. There has never been a defense organization headed by so many distinguished men, who know what they are doing, from experience. There has never been a Government of the United States as united as the executive branch of this Government of ours is now.

It is up to the other branches of the Government to see that we will accomplish the purpose which God intended us to accomplish, and that is to lead the world to peace.



I hope every one of you will go home and get down on your knees and pray for guidance to do the right thing, that these young men who are now fighting on the battlefields of Korea shall not die in vain. It is up to you.

#### CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### THIRD SUPPLEMENTAL APPROPRIATION BILL, 1951—CONFERENCE REPORT

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The conference report and statement follows:

#### CONFERENCE REPORT (H. REPT. No. 484)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 14, 16, 17, 20, 24, 26, 27, and 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 8, 9, 10, 11, 21, 23, 30, 31, 32 and 35, and agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,300,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,750,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 4, 5, 6, 7, 13, 18, 19, 25, 28, 33, and 34.

CLARENCE CANNON,  
ALBERT THOMAS,  
W. F. NORRELL,  
JAMIE L. WHITTEN,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
GLENN R. DAVIS,

#### Managers on the Part of the House.

KENNETH MCKELLAR,  
CARL HAYDEN,  
RICHARD B. RUSSELL,  
JOSEPH C. O'MAHONEY,  
STYLES BRIDGES,  
HOMER FERGUSON,  
KENNETH S. WHERRY,  
GUY CORDON (with reservations),  
Managers on the Part of the Senate.

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes

of the two Houses on the amendments of the Senate to the bill (H. R. 3587) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### CHAPTER II

##### Legislative branch

Amendment No. 1—Senate: Inserts title as proposed by the Senate.

Amendment No. 2—Payment to children of deceased Senator: Reported in disagreement.

Amendment No. 3—Contingent expenses of the Senate: Appropriates \$17,878 for furniture and repairs as proposed by the Senate.

Amendments Nos. 4 and 5—Payments to widows of deceased Representatives: Reported in disagreement.

Amendment No. 6—Senate Restaurants: Reported in disagreement.

Amendment No. 7—Government Printing Office: Reported in disagreement.

#### CHAPTER III

##### Department of Justice

Amendment No. 8—Federal Bureau of Investigation: Appropriates \$5,872,000 for "Salaries and expenses" as proposed by the Senate, instead of \$6,147,000 as proposed by the House.

Amendment No. 9—Federal Prison System: Appropriates \$449,000 for "Salaries and expenses, Bureau of Prisons", as proposed by the Senate, instead of \$125,000 as proposed by the House.

Amendment No. 10—Civil Aeronautics Board: Deletes the House proposal of an additional amount of \$25,000 for "Salaries and expenses", as proposed by the Senate.

#### CHAPTER IV

##### Treasury Department

Amendment No. 11—Coast Guard: Strikes out House provision to appropriate an additional \$1,000,000 for "Operating expenses", as proposed by the Senate.

##### Post Office Department

Amendment No. 12—Postal operations: Appropriates \$7,500,000 as proposed by the House, instead of \$15,000,000 as proposed by the Senate.

#### CHAPTER V

##### Federal Security Agency

Amendment No. 13—Office of Education: Reported in disagreement.

#### CHAPTER VI

##### Department of Agriculture

Amendment No. 14—Control of forest pests: Strikes out the Senate proposal to appropriate \$345,000 for "Forest Pest Control Act," as proposed by the House.

Amendment No. 15—Forest Service: Appropriates \$3,300,000 for "Forest development roads and trails", instead of \$3,000,000 as proposed by the House and \$5,800,000 as proposed by the Senate. The amount allowed is to provide \$2,500,000 for construction and \$800,000 for repairs.

#### CHAPTER VII

##### Department of the Interior

Amendment No. 16—Bureau of Mines: Strikes out Senate proposal to appropriate \$350,000 for construction, as proposed by the House.

Amendment No. 17—Territories and island possessions: Appropriates \$4,000,000 for "Construction, Alaska Railroad", as proposed by the House instead of \$4,500,000 as proposed by the Senate. The conferees are agreed that if necessary up to \$500,000 of funds already appropriated may be utilized for constructing shops at Anchorage, it being understood that any such additional funds will not be replaced by new appropriations.

#### CHAPTER VIII

##### Independent offices

Amendment No. 18—Office of the Housing Expediter: Reported in disagreement.

##### Department of Commerce

Amendment No. 19—Vessel operations, revolving fund: Reported in disagreement.

Amendment No. 20—Vessel operations, revolving fund: Deletes Senate language as proposed by the House.

#### CHAPTER IX

##### Civil Functions, Department of the Army

Amendment No. 21: Changes title as proposed by the Senate.

#### CHAPTER X

##### International children's welfare work

Amendment No. 22: Appropriates \$5,750,000 instead of \$5,000,000 as proposed by the House and \$7,500,000 as proposed by the Senate. The conferees are agreed in approving this figure that the contribution of the United States to this program shall not exceed one-third of total funds contributed to the program by all countries.

#### CHAPTER XI

##### Expenses of defense production

Amendment No. 23: Appropriates \$27,331,895 as proposed by the Senate instead of \$33,029,000 as proposed by the House.

Amendment No. 24: Strikes out Senate language for transfer of funds as proposed by the House.

Amendment No. 25: Reported in disagreement.

##### Federal Civil Defense Administration

Amendment No. 25: Deletes Senate language for inclusion of security guard services as proposed by the House.

Amendment No. 27—Operations: Appropriates \$1,750,000 of which \$110,000 shall be available for civil defense communication systems as proposed by the House instead of \$75,000,000 as proposed by the Senate.

Amendment No. 28—Federal contributions: Reported in disagreement.

Amendment No. 29—Civil defense procurement fund: Appropriates \$5,000,000 as proposed by the House instead of \$10,000,000 as proposed by the Senate.

Amendment No. 30—Civil defense emergency fund: Strikes out House proposal to appropriate \$100,000,000, as proposed by the Senate.

#### CHAPTER XII

##### Claims for damages, audited claims and judgments

Amendments Nos. 31 and 32: Appropriates \$3,103,881 as proposed by the Senate instead of \$1,999,045 as proposed by the House and include the claims as set forth in Senate Document No. 25.

#### CHAPTER XIII

##### General provisions

Amendment No. 33, relating to wages paid those who advocate or belong to organizations which advocate the overthrow of the Government of the United States by force or violence: Reported in disagreement.

Amendment No. 34, relating to funds appropriated to carry out the purposes of the Economic Cooperation Act: Reported in disagreement.

Amendment No. 35: Changes section number as proposed by the Senate.

CLARENCE CANNON,  
ALBERT THOMAS,  
W. F. NORRELL,  
JAMIE L. WHITTEN,  
JOHN TABER,  
R. B. WIGGLESWORTH,  
GLENN R. DAVIS,

#### Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, the conference on this bill was one of the most

harmonious I have attended and the report we submit is I believe agreeable to all Members on both sides of the aisle, so far as the House conferees are concerned, and also to all managers on the part of the Senate on both sides of the aisle. In other words, we have reached a practically unanimous agreement.

There are, of course, certain amendments in technical disagreement which are brought back under the rules of the House, but they will be submitted in accordance with agreements unanimously reached by all managers of the two Houses. I may say, Mr. Speaker, that we have effected exceptional economies in drafting the conference report and all advocates of reduction in nondefense expenditures will find the figures reported by the conferees decidedly interesting. For the sake of brevity I submit them in tabular form, as follows:

Budget estimates considered in the House.....	\$843,463,579
House committee recommendation.....	478,586,368
Passed House.....	473,165,368
Budget estimates considered in Senate.....	896,116,293
Senate committee recommendation.....	430,102,477
Passed Senate.....	431,127,477
Conference agreement.....	364,932,477
Budget estimate considered in Senate.....	896,116,293
Conference agreement.....	364,932,477
Reduction from total budget estimate.....	531,183,816

As will be noted, we have agreed in conference to a figure materially lower than that passed by either House. It is an unprecedented decrease in the estimates submitted.

Mr. Speaker, if no one desires to be heard, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the House consider en bloc those amendments that are in technical disagreement, on which the House managers will move to recede and concur. There are seven of them, Senate amendments Nos. 2, 4, 5, 6, 7, 13, and 33. These are mere formalities.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 2: Page 3, line 23, insert:

"For payment to Arthur H. Vandenberg, Jr., son, and Barbara Vandenberg Bailey and Elizabeth Vandenberg Pfeiffer, daughters, of Arthur H. Vandenberg, late a Senator from the State of Michigan, \$12,500."

Senate amendment No. 4: Page 4, line 7, insert:

"For payment to Vera D. Buchanan, widow of Frank Buchanan, late a Representative from the State of Pennsylvania, \$12,500."

Senate amendment No. 5: Page 4, line 10, insert:

"For payment to Maude F. Kee, widow of John Kee, late a Representative from the State of West Virginia, \$12,500."

Senate amendment No. 6: Page 5, line 6, insert:

#### "SENATE RESTAURANTS"

"For repairs, improvements, furnishings, equipment, labor, and materials, and all necessary incidental expenses, to provide additional restaurant facilities in the Senate Office Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, \$30,000."

Senate amendment No. 7: Page 5, line 17, insert:

#### "GOVERNMENT PRINTING OFFICE"

##### "WORKING CAPITAL AND CONGRESSIONAL PRINTING AND BINDING"

"For an additional amount for 'Working capital and congressional printing and binding,' \$1,200,000: *Provided*, That the limitation under this head in the Legislative Branch Appropriation Act, 1951, on the amount available for the printing, binding, and distribution of the Federal Register in accordance with the act approved July 26, 1935 (44 U. S. C. 301-310), is increased from '\$475,000' to '\$675,000'."

Senate amendment No. 13: Page 12, line 13, insert:

#### "FEDERAL SECURITY AGENCY"

##### "OFFICE OF EDUCATION"

##### "Grants for surveys and school construction"

"For an additional amount for 'Grants for surveys and school construction,' to remain available until expended, \$50,000,000, of which such amount as the Commissioner of Education determines to be necessary shall be available for urgently needed school facilities in areas determined by the President to be critical areas by reason of national defense activities: *Provided*, That appropriations and contract authorizations heretofore granted under this head, shall also be available to enable the Commissioner to provide school facilities pursuant to sections 203 and 204 of the act of September 23, 1950 (Public Law 815)."

Senate amendment No. 33: Page 25, line 10, insert:

"SEC. 1301. No part of any appropriation contained in this act, or of the funds available for expenditure by any corporation included in this act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or

imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That, as applicable to the Departments of Agriculture and Interior, nothing in this section shall be construed to require an affidavit from any person employed for less than 60 days for sudden emergency work involving the loss of human life or destruction of property, and the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 15, line 8, insert:

#### "OFFICE OF THE HOUSING EXPEDITER"

##### "Salaries and Expenses"

"The amount made available under this head in the Supplemental Appropriation Act, 1951, only for the payment of terminal leave is changed from '\$2,000,000' to '\$1,000,000'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows:

In lieu of the sum of "\$1,000,000," named in said amendment, insert "\$1,750,000."

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. THOMAS] whose subcommittee handled this matter.

Mr. THOMAS. Mr. Speaker, some explanation should be made to the House with reference to this amendment because we are going to hear something about it in the next few days. To go back a little while, for the fiscal year 1951 the Congress has appropriated to the Housing Expediter a total of \$13,415,500 to operate until March 31 of this year, and in giving the Expediter that sum the budget estimates were substantially reduced. On the 23rd of March of this year rent control was extended until June 30th of this year; in other words, 3 months. The Housing Expediter does not have enough money to operate during these remaining months. A Budget estimate was sent to the Senate for \$1,000,000, not new money, but to earmark and use \$1,000,000 of funds heretofore limited to use for terminal leave only. Unfortunately the Housing Expediter did not come to the House or any of its subcommittees of the Committee on Appropriations, and therefore we went into the conference with the other body without full information on the subject. We gave him, not the \$1,000,000 requested, but \$250,000; and frankly, it is not enough for him to do the job. He has 2,500 employees, and I was advised only about 10 minutes ago that he is going to have to release more than 1,000 employees. My suggestion, Mr. Speaker,



and the chairman, the gentleman from Missouri [Mr. CANNON], is simply this, that by letter or some other method you advise the Housing Expediter to carry on his duties. It was not the intention of the Committee on Appropriations to legislate him out of business, and within the next few days when the fourth supplemental appropriation bill comes along, we can make up that deficiency which, I might say, we erroneously cut off. He is entitled to the \$1,000,000.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 17, strike out, beginning on line 21 down to and including line 4 on page 19, as follows:

"No money appropriated by this or any other act may be used for the payment to the owner on account of the purchase, requisition, or loss for which the United States is responsible of any vessel previously sold by the United States in an amount in excess of the price paid the United States depreciated as hereinafter provided, plus depreciated cost of capital improvements made on such vessel, subsequent to such sale by the United States: *Provided*, That, in the case of any vessel the price of which has been adjusted pursuant to the provisions of section 9 of the Merchant Ship Sales Act of 1946, as amended, the payment shall not exceed the statutory sales price of such vessel as of March 8, 1946, depreciated, plus the depreciated cost of capital improvements made on such vessel subsequent to such date: *Provided further*, That in the case of a bona fide purchaser for value, the payment may equal but not exceed the adjusted basis of the vessel in the hands of such purchaser determined under section 113 (b) of the Internal Revenue Code: If any vessel previously sold by the United States is chartered or taken for use by the United States, the charter hire paid for bareboat use of the vessel shall not be based on a value in excess of the payment permitted under the preceding provisions in case the vessel were purchased by the United States. Depreciation under the preceding provisions shall be computed in accordance with the schedule adopted by the Bureau of Internal Revenue for income tax purposes, or, in the absence of any such schedule, depreciation shall be computed at the rate of 5 percent per annum. Notwithstanding the provisions of any other law, neither the Secretary of Commerce nor the Federal Maritime Board shall determine, for any purpose whatsoever, a valuation for any vessel previously sold by the United States, except in accordance with the preceding provisions."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur in the same with an amendment as follows: In lieu of the matter stricken by the said amendment insert:

"No money made available to the Department of Commerce, for maritime activities, by this or any other act shall be used in payment for a vessel the title to which is acquired by the Government either by requisition or purchase, or the use of which is taken either by requisition or agreement, or which is insured by the Government and lost while so insured, unless the price or hire to be paid therefor (except in cases where section 802 of the Merchant Marine Act, 1936, as

amended, is applicable) is computed in accordance with subsection 902 (a) of said act, as that subsection is interpreted by the General Accounting Office."

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Maine.

Mr. HALE. I simply would like to inquire of the gentleman from Missouri if he would be good enough to explain the difference between the language which he is now suggesting and the language which was stricken.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. THOMAS], whose subcommittee handled this item.

Mr. THOMAS. The language here in substitute for the original House language, I might say, is far less drastic and, I am sure, it will please the gentleman from Maine. The language in the original House bill gave to the operators, in case the ship was requisitioned and sunk, only the purchase price minus depreciation. This works out a formula in keeping with the Ship Sales Act of 1936, with which the gentleman is familiar, embodying the principles laid down in that act in sections 802 and 902 (a).

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 21, strike out all of lines 16 to 23, inclusive, as follows: "*Provided further*, That the appropriation 'Expenses of Defense Production' may be increased by transfer of not to exceed \$1,834,000 of funds appropriated for the fiscal year 1951 to the Departments of Agriculture, Commerce, Interior, Labor, and the General Services Administration for the purpose of carrying out the duties and responsibilities assigned to these agencies under provisions of the Defense Production Act of 1950."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert "and transfers may be made between appropriations or allocations within any such department, agency, or corporation as may be necessary to carry out this proviso, and no allocation shall be made to any agency which can perform such defense activities as may have been or hereafter be assigned to such agency which can be performed by its regular personnel by use of the foregoing authority to realine its regular programs."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: On page 22, line 19, strike out the remainder of the page and down to and including line 5 on page 23, as follows:

*"Federal contributions*

"For financial contributions to the States pursuant to subsection (i) of section 201 of the Federal Civil Defense Act of 1950, \$80,-

000,000, to remain available until June 30, 1952: *Provided*, That of this amount \$75,000,000 shall be available only for shelters and other protective facilities: *Provided further*, That the Administrator shall not approve any programs or projects for such shelters and protective facilities which cannot be completed as usable units within the limit of the amount of this appropriation and the amounts to be made available by the States to match contributions hereunder."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

*"Federal contributions*

"For financial contributions to the States pursuant to subsection (i) of section 201 of the Federal Civil Defense Act of 1950, \$25,000,000, to be equally matched with State funds, of which \$20,000,000 shall be for medical supplies and equipment and \$5,000,000 for training and education, to remain available to June 30, 1952."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 27, line 26, insert the following:

"SEC. 1302. (a) During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other act to provide economic or financial assistance (other than military assistance) to foreign countries, to any country which exports or knowingly permits the exportation of, to the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea), arms, or armament or military matériel or articles or commodities which the Secretary of Defense shall have certified to the Administrator of the Economic Cooperation Administration may be used in the manufacture of arms, armaments, or military matériel; and the Secretary of Defense is hereby authorized and directed to so certify to the Administrator of the Economic Cooperation Administration any article or commodity of the nature or class described.

"(b) Section 1304 of the Supplemental Appropriation Act, 1951, is hereby repealed."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 34, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"SEC. 1302. (a) During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other act to provide economic or financial assistance (other than mili-

tary assistance) to foreign countries, to any country which exports or knowingly permits the exportation of, to the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea), arms, or armament or military matériel or articles or commodities which the Secretary of Defense shall have certified to the Administrator for Economic Cooperation may be used in the manufacture of arms, armament or military matériel, or shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security; and the Secretary of Defense is hereby authorized and directed to so certify to the Administrator for Economic Cooperation any article or commodity of the nature or class described: *Provided*, That after the 15th day following the date of enactment of this act and prior to the termination of the period heretofore referred to no country shall be eligible for economic or financial assistance under any such act unless within 30 days prior to the date on which such assistance is to be provided such country shall have certified to the United States that it has not, subsequent to the 15th day following the date of enactment of this act, exported, or knowingly permitted the exportation of, arms, armaments, military matériel, articles, or commodities, which are subject to the foregoing provisions of this section, to any of the countries referred to in such provisions: *Provided further*, That such certification shall not relieve the Administrator for Economic Cooperation or any other officer of the United States Government of responsibility for enforcing the foregoing provisions of this section: *Provided further*, That exceptions to these provisions may be made upon an official determination of the National Security Council that such exception is in the security interest of the United States: *Provided further*, That the National Security Council shall immediately report any exception made with reasons therefor to the Appropriations and Armed Services Committees of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the National Security Council shall at least once each quarter review all exceptions made previously and shall report its determinations to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which an exception is made.

"(b) Section 1304 of the Supplemental Appropriation Act, 1951, is hereby repealed."

Mr. CANNON. Mr. Speaker, the need for this provision has been largely disposed of, and is now largely historical, due to the fact that the nations concerned have already voluntarily restricted their nationals and interdicted the flow of such goods to a point where at this time fully 95 percent or more of the goods embargoed by the United States Government are no longer in commerce with unfriendly nations. In a very short time the embargo will be 100 percent complete.

However, this amendment would be effective if by chance occasion for its use should arise.

In writing the provision our endeavor was to make it as flexible as possible so as to accommodate its invocation and interpretation to any need which may develop. It is self-policing. Each nation submits its own certificate. Should it ever become necessary to invoke the law in any respect, a liberal interpretation of

its provisions will adequately meet any situation.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

#### INTERNATIONAL CHILDREN'S WELFARE FUND

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. BLATNIK] may proceed for 5 minutes to discuss the International Children's Welfare Fund, and the language of amendment No. 22 in the conference report which was just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, may I ask a question in connection with the last amendment? Do I understand the intention is that there will be such flexibility as will meet the requirements of the national interest of our country as the occasion may demand?

Mr. CANNON. That was our purpose.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BLATNIK. Mr. Speaker, for the purpose of clarifying in my own mind and in the minds of several of our colleagues who have raised a similar inquiry, I should like to ask the distinguished gentleman, the chairman of the Committee on Appropriations, if it is not true that the language of amendment No. 22, chapter 10, in their conference report dealing with the International Children's Welfare work conflicts with or attempts to modify the organic act dealing with the International Children's Fund. In my opinion the conference report language in effect changes the terms of the original authorization, which is Public Law 535, since it sets a limitation upon the conditions under which the President can make contributions for the International Children's Welfare work. In my opinion this contradicts the authority vested in the President by the original authorization, the original organic act, which states:

The President may make contributions to the United Nations for international children's welfare work in such manner and on such terms and conditions as he may deem to be in the interest of the United States.

In the appropriation bill there is no reference to any qualification or additional limitations. In this conference report the conference committee states:

That the United States contribution shall not exceed one-third of the funds made available to the fund.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. McCORMACK. The conference report says, "The conferees are agreed"—that is not the House of Representatives or the Congress.

Mr. BLATNIK. That is my understanding. It is the conferees who are agreed. The original legislation and appropriation, the third supplemental appropriation bill, which was passed by this body, carried no such limitation and no such limitation was discussed or debated on the floor. May I have some comment from the chairman of the Committee on Appropriations on this, Mr. Speaker?

Mr. CANNON. Mr. Speaker, the House bill provided \$5,000,000 for this item. The other body increased the item to \$7,500,000. In conference we agreed upon a compromise of \$5,750,000. It has been the objective and the goal of our Government from the beginning that we would in all international assessments restrict our contribution to one-third of the amount provided. Our idea was that in all such contributions the United States Government should provide one-third, and the remaining members of the United Nations should provide two-thirds.

The item before us is the only activity to which we have contributed a disproportionate amount. Up to this time we have been paying 72 percent, and the rest of the participants combined have been paying 28 percent.

However, in all other activities the contribution of the United States Government has been from 26 percent, as for example on food and agriculture, and the remainder of the contributors 74 percent. The highest contribution we make is the 39 percent contribution to the general fund. So, for none of the activities, except this one item, do we contribute more than 39 percent, and on most of them an average of less than 30 percent.

Accordingly, in keeping with the objective of the United States Government to pay one-third, we have in this paragraph provided additional money, but in the report the conferees expressed the opinion that in all contributions the United States Government should pay one-third and our allies two-thirds.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Nebraska.

Mr. STEFAN. It is intended by the committee that this organization can spend \$5,750,000, however.

Mr. CANNON. Certainly, every cent of it. We, however, express the conviction that it should be allocated on a ratio of one-third and two-thirds, one-third by the United States and two-thirds by the remaining contributors.

Mr. STEFAN. You are providing \$5,750,000 and telling their committee they can expend that.

Mr. CANNON. Exactly. The gentleman's statement is accurate in every respect.

The SPEAKER. The time of the gentleman from Minnesota [Mr. BLATNIK] has expired.

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.



Mr. BLATNIK. The point of view expressed by the chairman is interesting, but the point I raise this afternoon is this: If there is a wish to provide for a change in the organic act, any limitation thereon should be made by the proper authorizing committee and by the Members themselves in the organic bill by amending the same. The attempt should not be made to amend it by a statement made upon the part of the conferees.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. McCORMACK. I think what the gentleman has in mind is that the language in the conference report might represent the views of the conferees but certainly does not represent the intent of the Congress. Is that right?

Mr. BLATNIK. That is correct.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. JUDD. I would like also to have clarification of the last phrase in the language in the conference report. It says that our contribution "shall not exceed one-third of the total funds contributed to the program by all countries." Does that include only contributions made by the governments of all countries? Or does that language include contributions that may be made by private persons or philanthropic organizations in various countries? That is, when the organization figures up the two-thirds from other countries to match our one-third, can it figure in contributions of private agencies, such as women's groups, which get together to raise money for children, as they have been doing?

A second question is this: Heretofore if the French Government contributed some money or supplies to the general fund that is to be used for children in Austria or Yugoslavia or some other country, that could be considered as a matching contribution. But if the money were contributed by the French Government for children's welfare within France it was not considered as a matching contribution. I think there ought to be clarification of what is meant by "total funds contributed by all countries." First, does it include all contributions of all governments even for children's relief and welfare within their own countries? And, second, does it include contributions by private organizations?

The SPEAKER. The time of the gentleman from Minnesota has again expired.

Mr. JUDD. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for two additional minutes in order to clear this matter up.

The Speaker. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, the gentleman from Minnesota [Mr. Judd] points out very clearly now the questions that arise. I do not have the answers to the questions; all that is avail-

able is merely the statement in the report of the conferees, and this is without any clarification or elaboration. There are many questions such as these which should be discussed in a proper committee and then on the floor. Should there be any wish to change the formula that is the place to take it up.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield to the chairman.

Mr. CANNON. None of the questions submitted here are pertinent to the situation. This bill does not change in any way the system of distribution or the control of that system; the only thing the bill does is to provide an appropriation of \$5,750,000 for the International Children's Welfare work.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In other words, this language is more a direction as to the future than a limitation upon the present appropriation.

Mr. CANNON. The language in the conference report is necessarily a recommendation, not a mandate, but I trust its significance will not be overlooked by all concerned.

#### CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

#### CONDITIONAL RELEASE OF FEDERAL PRISONERS

The Clerk called the bill (H. R. 2924) to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners.

Mr. FORD. Mr. Speaker, reserving the right to object, and I do not intend to, I have in the past asked that this bill be passed over without prejudice. I have however since the bill was last called, discussed the matter in detail with the United States Department of Justice prison officials, and on the basis of their reports and further information I am convinced that it is desirable legislation. I therefore withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 4164 of title 18 of the United States Code is hereby amended to read as follows:

"§ 4164. Released prisoner as parolee

"A prisoner having served the term or terms for which he shall have been sentenced after June 29, 1932, less good-time deductions, shall be unconditionally released if there remain less than 180 days to serve. If there remain 180 days or over to be served he shall upon release be treated as if released on parole, and shall be subject to all provisions of law relating to the parole of United States prisoners until the expiration of the maximum term or terms for which he was sentenced less 180 days.

"This section shall not prevent delivery of a prisoner to the authorities of any State otherwise entitled to his custody."

With the following committee amendment:

Strike out all after the enacting clause and substitute the following: "That section 4164 of title 18 of the United States Code is hereby amended to read as follows:

"§ 4164. Released prisoner as parolee.

"A prisoner having served his term or terms less goodtime deductions shall, upon release, be deemed as if released on parole until the expiration of the maximum term or terms for which he was sentenced less 180 days.

"This section shall not prevent delivery of a prisoner to the authorities of any State otherwise entitled to his custody."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ANNUAL AND SICK LEAVE PRIVILEGES OF CERTAIN INDEFINITE SUBSTITUTE EMPLOYEES

The Clerk called the bill (H. R. 3605) to amend section 6 of Public Law 134, approved July 6, 1945, as amended, to grant annual and sick leave privileges to certain indefinite substitute employees in the postal service.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### PAROLE OF FEDERAL PRISONERS

The Clerk called the bill (H. R. 3455) to amend section 4202 of title 18, United States Code, relating to parole of Federal prisoners.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### FRAUD BY WIRE, RADIO, OR TELEVISION

The Clerk called the bill (H. R. 2943) to amend title 18, United States Code, with respect to fraud by radio.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### CASTILLO DE SAN MARCOS NATIONAL MONUMENT, FLA.

The Clerk called the bill (H. R. 1026) to supplement the act of June 29, 1936 (49 Stat. 2029), relating to the Castillo de San Marcos National Monument, in the State of Florida.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, in order to supplement the authority regarding the acquisition of land for Castillo de San Marcos National Monument, Florida, as contained in section 2 of the act of June 29, 1936 (49

Stat. 2029), the Secretary of the Interior is authorized, in his discretion, to purchase or to procure with appropriated funds, in such manner as he shall consider to be in the public interest, the additional land and interests in land authorized by the said act of June 29, 1936, to be acquired for the national monument.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CARE AND TREATMENT OF PERSONS AFFLICTED WITH LEPROSY

The Clerk called the bill (H. R. 1739) authorizing an annual appropriation to provide more adequate facilities for the care and treatment of Hansen's disease in the Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, for the purpose of providing more adequate facilities for the care and treatment of Hansen's disease in the Territory of Hawaii, there is hereby authorized to be appropriated and made available to the Board of Health of the Territory of Hawaii for each fiscal year, beginning with the fiscal year ending June 30, 1951, a sum equal to the product of (1) the average annual cost of providing care and subsistence for a patient in the National Leprosarium, Carville, La., during the three preceding fiscal years, and (2) the average daily patient census of patients with Hansen's disease provided with care and subsistence within the Territory of Hawaii by the Territorial government during such three preceding fiscal years.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That section 331 of the Public Health Service Act (58 Stat. 682, 698), as amended (42 U. S. C., 1946 edition, supp. III, sec. 255), is further amended by deleting the words 'within the continental United States' which appear in the last sentence thereof, and by adding the following sentence at the end of the section: 'Upon the application of the health authority of a State, Territory, or possession outside the continental United States which provides facilities for the care and treatment of persons afflicted with leprosy, the Surgeon General shall arrange to make payments to the health authority of such State, Territory, or possession for the care and treatment in its facilities of persons so afflicted at a per diem rate, determined from time to time by the Surgeon General, which shall be approximately equal to the per diem operating cost per patient of the facility, except that such per diem rate shall not be more than the comparable per diem cost per patient at the nearest suitable facility of the Service'."

Mr. FARRINGTON. Mr. Speaker, I offer an amendment to the committee amendment, which has the unanimous approval of the committee.

The Clerk read as follows:

Amendment offered by Mr. FARRINGTON to the committee amendment: Page 2, strike out lines 12 to 15, inclusive, and insert "authority of a State, Territory, or possession, which is outside the continental United States and which provides facilities, care, and treatment, found by the Surgeon General to conform to reasonable standards for patient care, for persons afflicted with leprosy, the Surgeon General shall arrange to make payments to the health."

The amendment to the committee amendment was agreed to.

Mr. FARRINGTON. Mr. Speaker, I offer another amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FARRINGTON to the committee amendment: Page 2, line 19, after the word "shall", insert ", subject to the availability of appropriations."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy."

A motion to reconsider was laid on the table.

#### CERTAIN LANDS CONVEYED TO THE CITY OF CHANDLER, OKLA.

The Clerk called the bill (H. R. 2478) to amend the act of February 15, 1923, to release certain rights and interests of the United States in and to certain lands conveyed to the city of Chandler, Okla., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the United States hereby releases and removes all rights and interests reserved to, and all restrictions imposed by, the United States with respect to certain lands conveyed by the United States to the city of Chandler, Oklahoma, under the act entitled "An act to grant a military large range of Lincoln County, Okla., to the city of Chandler, Okla., and reserving the right to use for military and aviation purposes," approved February 15, 1923.

SEC. 2. The last sentence of such act of February 15, 1923, is amended by striking out all of the matter appearing after "Chandler, Okla." and before the period at the end thereof.

With the following committee amendment:

Page 1, line 7, strike out "targe" and insert "target."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SALE, TRANSFER, OR QUITCLAIM OF TITLE TO CERTAIN LANDS IN FLORIDA

The Clerk called the bill (H. R. 2684) to provide for the transfer or quitclaim of title to certain lands in Florida.

Mr. CUNNINGHAM. Mr. Speaker, there are no departmental reports accompanying this bill; therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

#### RECORDATION OF SCRIP, LIEU SELECTION, AND SIMILAR RIGHTS

The Clerk called the bill (H. R. 2889) to require the recordation of scrip, lieu selection, and similar rights.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

#### USE OF THE TRIBAL FUNDS OF THE UTE INDIAN TRIBE

The Clerk called the bill (H. R. 3795) to provide for the use of the tribal funds of the Ute Indian Tribe of the Uintah and Ouray Reservation, to authorize a per capita payment out of such funds, to provide for the division of certain tribal funds with the Southern Utes, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter deposited in the United States Treasury to the credit of the Ute Indian Tribe of the Uintah and Ouray Reservation may be expended or advanced for such purposes, including per capita payments, as may be designated by the Tribal Business Committee of said tribe and approved by the Secretary of the Interior: *Provided further,* That with the exception of a \$1,000 per capita payment which is hereby authorized, no per capita payment shall be approved by the Secretary of the Interior from the principal of any judgment obtained under the Jurisdictional Act of June 28, 1938 (52 Stat. 1209), as amended, without further legislation: *Provided further,* That any funds advanced for loans by the tribe to individual Indians or associations of Indians shall be subject to regulations established for the making of loans from the revolving loan fund authorized by the act of June 18, 1934 (25 U. S. C., sec. 470).

SEC. 2. The Secretary of the Interior is hereby authorized and directed to divide the trust funds belonging to the Confederate Bands of Ute Indians and deposited in the United States Treasury pursuant to the act of June 30, 1919 (41 Stat. 33), and section 11 of the act of June 28, 1934 (48 Stat. 1273), as amended, including the interest thereon, by crediting 60 percent to the Ute Indian Tribe of the Uintah and Ouray Reservation, consisting of the Uintah, Uncompahgre, and White River Utes, and 40 percent to the Southern Utes, consisting of the Southern Utes of the Southern Ute Reservation and the Ute Mountain Tribe of the Ute Mountain Reservation. The funds apportioned to the Southern Utes under this section shall be divided between the Southern Utes of the Southern Ute Reservation and the Ute Mountain Tribe of the Ute Mountain Reservation as agreed between said tribes. The shares of the respective groups shall be credited to the existing accounts established pursuant to the act of May 17, 1926 (44 Stat. 560) and the act of June 13, 1930 (46 Stat. 584).

With the following committee amendments:

Page 2, line 2, after "Provided," insert "That the aggregate amount of the expenditures and advances authorized by this section shall not exceed 33 1/2 percent of such tribal funds now on deposit."

At the end of the bill insert:

SEC. 3. When all expenditures and advances authorized by the first section of this act have been made, the Secretary of the Interior shall transmit a full and complete report thereof to the Congress.

The committee amendments were agreed to.



The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AMEND SECTION 28 OF THE ENABLING ACT OF ARIZONA

The Clerk called the bill (S. 108) to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the third paragraph of section 28 of the act entitled "An act to enable the people of New Mexico to form a constitution and State government and be admitted into the Union on an equal footing with the original States; and to enable the people of Arizona to form a constitution and State government and be admitted into the Union on an equal footing with the original States," approved June 20, 1910, as amended, is amended to read as follows:

"No mortgage or other encumbrance of the said lands, or any part thereof, shall be valid in favor of any person or for any purpose or under any circumstances whatsoever. Said lands shall not be sold or leased, in whole or in part, except to the highest and best bidder at a public auction to be held at the county seat of the county wherein the lands to be affected, or the major portion thereof, shall lie, notice of which public auction shall first have been duly given by advertisement, which shall set forth the nature, time, and place of the transaction to be had, with a full description of the lands to be offered, and be published once each week for not less than ten successive weeks in a newspaper of general circulation published regularly at the State capital, and in that newspaper of like circulation which shall then be regularly published nearest to the location of the lands so offered; nor shall any sale or contract for the sale of any timber or other natural product of such lands be made, save at the place, in the manner, and after the notice by publication provided for sales and leases of the lands themselves. Nothing herein contained shall prevent: (1) the leasing of any of the lands referred to in this section, in such manner as the Legislature of the State of Arizona may prescribe, for grazing, agricultural, commercial, and homesite purposes, for a term of 10 years or less; (2) the leasing of any of said lands, in such manner as the Legislature of the State of Arizona may prescribe, whether or not also leased for grazing and agricultural purposes, for mineral purposes, other than for the exploration, development, and production of oil, gas, and other hydrocarbon substances, for a term of 20 years or less; or (3) the leasing of any of said lands, whether or not also leased for other purposes, for the exploration, development, and production of oil, gas, and other hydrocarbon substances on, in, or under said lands for an initial term of 20 years or less and as long thereafter as oil, gas, or other hydrocarbon substance may be procured therefrom in paying quantities, the leases to be made in any manner, with or without advertisement, bidding, or appraisal, and under such terms and provisions as the Legislature of the State of Arizona may prescribe, the terms and provisions to include a reservation of a royalty to said State of not less than 12½ percent of production.

With the following committee amendments:

Page 3, line 7, strike out "or."

Page 3, line 18, after "production" insert "or (4) the Legislature of the State of Arizona from providing by proper laws for the protection of lessees of said lands, whereby such lessees shall be protected in their rights

to their improvements (including water rights) in such manner that in case of lease or sale of said lands to other parties the former lessee shall be paid by the succeeding lessee or purchaser the value of such improvements and rights placed thereon by such lessee."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### RESTORATION TO TRIBAL OWNERSHIP OF CERTAIN LANDS

The Clerk called the bill (H. R. 458) authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the undisposed-of lots in the Pryor town site and the Crow Agency town site, and the undisposed-of lands or the ceded portion of the Crow Indian Reservation, Mont., heretofore opened to entry or other form of disposal under the public-land laws are hereby restored to tribal ownership: *Provided*, That restoration shall be subject to any existing valid rights: *Provided further*, That restoration shall not apply to lands within any reclamation project heretofore authorized on the Crow Indian Reservation, Mont.

SEC. 2. The lands restored to the Crow Tribe under section 1 may be sold, and the proceeds thereof may be used solely for the acquisition by the tribe of trust or restricted lands on the Crow Reservation under such regulations as the Secretary of the Interior may prescribe.

SEC. 3. Title to lands or any interest therein acquired pursuant to this act shall be taken in the name of the United States in trust for the Crow Tribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ACQUISITION OF LANDS WITHIN BIG BEND NATIONAL PARK

The Clerk called the bill (H. R. 1221) to authorize the acquisition by the United States of the remaining non-Federal lands within Big Bend National Park, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, notwithstanding any other provisions of law, the Secretary of the Interior is hereby authorized to procure, in such manner as he may consider to be in the public interest, the remaining non-Federal land and interests in land within the boundaries of Big Bend National Park.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ADDITION OF LANDS TO MANASSAS NATIONAL BATTLEFIELD PARK, VA.

The Clerk called the bill (H. R. 3041) to authorize the addition of certain lands to Manassas National Battlefield Park, Va., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, in order to preserve important historic portions of Manassas Battlefield not now included within the

Manassas National Battlefield Park, and to round out the boundaries of the park for purposes of administration, the Secretary of the Interior is authorized to acquire, by donation, purchase, or condemnation, not to exceed 2,500 acres of land and interests in land within 2 miles of the intersection of United States Highway 211 and State Highway 284, including not to exceed 10 acres of land on which are situated remaining earthworks in the immediate vicinity of Centerville, Va. All properties that are acquired hereafter pursuant to this act shall become a part of the Manassas National Battlefield Park upon acquisition of title to such properties by the United States. The park and any lands added thereto in accordance with this act shall be administered in accordance with the act, approved August 25, 1916 (39 Stat. 535), as amended and supplemented, relating to establishment of the National Park Service.

SEC. 2. When the public interests will be benefited thereby, the Secretary is authorized to accept, on behalf of the United States, title to any non-Federal land or interests therein situated within the area authorized to be included within Manassas National Battlefield Park, and in exchange therefor to convey not to exceed an equal value of land or interests in land within the park for right-of-way purposes in connection with State and other highways.

With the following committee amendment:

Page 1, line 7, strike out "acquire, by donation, purchase, or condemnation" and insert "procure in such manner as he may consider to be in the public interest."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SUSPEND APPLICATION OF CERTAIN FEDERAL LAWS

The Clerk called the joint resolution (H. J. Res. 240) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigation ordered by House Resolution 78, Eighty-second Congress.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

Mr. CELLER. Mr. Speaker, reserving the right to object, does the gentleman have any inherent objection to the joint resolution, or does he want to study it further, or what?

Mr. TRIMBLE. I want to study it further.

Mr. CELLER. I just want to state that several members of the Committee on Ways and Means have indicated that they are very anxious to start with that investigation, and I hope the gentleman on the next occasion when we have the Consent Calendar will have a fixed determination as to really what he wishes to do.

Mr. TRIMBLE. The gentleman will try.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

# AUTHORIZE CERTAIN INDIAN TRIBES TO MAKE CONTRACTS

The Clerk called the bill (H. R. 1788) to authorize the Choctaw, Chickasaw, Cherokee, Creek, or Seminole Tribes of Indians to make contracts for professional legal services with approval of the Secretary of the Interior, or his authorized representative, under such rules and regulations as the Secretary of the Interior may prescribe.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That contracts involving the payment or expenditure of any money or affecting any property belonging to the Choctaw, Chickasaw, Cherokee, Creek, or Seminole Tribes of Indians, including contracts for professional legal services, may be made by said tribes, with the approval of the Secretary of the Interior, or his authorized representative, under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

With the following committee amendments:

Page 2, line 2, after "prescribe:", insert "Provided, That the provisions of this section shall not apply to contracts for professional legal services involving the prosecution of claims against the United States."

Page 2, line 5, after "SEC. 2" strike out "All acts and parts of acts inconsistent with the provisions of this act are hereby repealed." and insert "That the second proviso in section 28 of the act of April 26, 1906 (34 Stat. 148), and the provisions contained in the fifth paragraph of section 17 of the Act of March 3, 1911 (36 Stat. 1070), dealing with contracts made by the Choctaw and Chickasaw Tribes of Indians for professional legal services of attorneys, are hereby repealed."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Choctaw, Chickasaw, Cherokee, Creek, or Seminole Tribes of Indians to make contracts with approval of the Secretary of the Interior, or his authorized representative, under such rules and regulations as the Secretary of the Interior may prescribe."

A motion to reconsider was laid on the table.

## LEASING OF RESTRICTED INDIAN LANDS

The Clerk called the bill (H. R. 1632) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, I see the gentleman from Oklahoma [Mr. MORRIS] is present. He introduced this bill. In my opinion, he is one of the real authorities in the House on not only the Indians but legislation relating to the Indians of our country. May I ask him if he will give a brief statement as to what this bill does, particularly in connection with

the use of the word "religious." I am sure all faiths are protected, but I should like the RECORD to show that in connection with whatever aspects of the bill relate to religion.

Mr. MORRIS. In answer to the distinguished majority leader, may I say that in my judgment this is an extremely important bill if justice and equity are to be done to our Indian friends over the Nation. The situation is simply this: As the situation now exists, with a few minor exceptions, leases cannot be granted for a longer period than 5 years. Experience has shown that in regard to tribally owned land and individually owned land the Indians cannot realize the full value of their land under such a restriction. For instance, no industry will go on tribal land or individually allotted land and make a large capital investment under a 5-year lease. However, if an industry can go onto such land with a 25-year lease, and renew the lease for another 25 years, making 50 years altogether, of course, it will expend large sums of money. Therefore, the Indians can realize the full value of their land for lease purposes.

May I say to the gentleman that in connection with the use of this land for religious purposes it certainly is not contemplated and never will be contemplated in any legislation that will ever be brought out of our committee that there will be any discrimination against or favoritism for any particular religion of any kind.

Mr. McCORMACK. I am sure that is so, but I thought a brief statement for the RECORD might be advisable, particularly since so grave and serious a trust relationship between the Government and the Indians of our country exists. Noting that the gentleman was present, and knowing him to be an authority on this type of legislation, I expected the gentleman would make a very valuable contribution and give me the information I desired.

Mr. Speaker, I withdraw my reservation of objection.

Mr. MORRIS. I thank the gentleman very much for his very kind and very gracious observation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, or business purposes, including the development or utilization of natural resources in connection with operations under such leases, and for those farming purposes which require the making of a substantial investment in the improvement of the land for the production of specialized crops as determined by said Secretary. All leases so granted shall be for a term of not to exceed 25 years, but leases for public, religious, educational, recreational, or business purposes may include provisions authorizing their renewal for an additional term of not to exceed 25 years, and all leases shall be made under such regulations as may be prescribed by the Secretary of the Interior.

SEC. 2. Restricted lands of deceased Indians may be leased under this act, for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the act of July 8, 1940 (54 Stat. 745; 25 U. S. C., 1946 ed., sec. 380).

SEC. 3. No rent or other consideration for the use of land leased under this act shall be paid or collected more than 5 years in advance, unless so provided in the lease.

SEC. 4. The act of August 9, 1946 (60 Stat. 962; 25 U. S. C., 1946 ed., secs. 403b and 403c), is hereby repealed, but this repeal shall not be construed to affect the validity of any lease entered into under such act prior to, or within 90 days after the approval of this act.

SEC. 5. Nothing contained in this act shall be construed to repeal any authority to lease restricted Indian lands conferred by or pursuant to any other provision of law, except as specifically provided in section 4.

With the following committee amendments:

Page 1, line 6, following the word "recreational," insert the word "residential."

Page 1, line 9, following the word "purposes" insert the words "(not to include grazing)."

Page 2, line 4, following the letters "tional" insert the word "residential."

Page 2, line 4, following the word "purposes" insert the words ", with the consent of both parties."

Page 2, line 5, strike the word "an" and insert in lieu thereof the word "one."

Page 2, line 6, following the word "leases" insert the words "and renewals."

Page 2, line 6, following the word "such," insert the words "terms and."

Page 2, line 16, strike the words "five years" and insert in lieu thereof the words "one year."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases."

A motion to reconsider was laid on the table.

## DAUGHTERS OF THE AMERICAN REVOLUTION

The Clerk called the bill (H. R. 1899) to amend section 2 of the act entitled "An act to incorporate the National Society of the Daughters of the American Revolution."

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 2 of the act entitled "an act to incorporate the National Society of the Daughters of the American Revolution," approved February 20, 1896, as amended, and as amended February 5, 1926, is amended to read as follows:

"SEC. 2. That said society is authorized to hold real and personal estate in the United States, so far only as may be necessary to its lawful ends, to an amount not exceeding \$10,000,000, and may adopt a constitution and make bylaws not inconsistent with law, and may adopt a seal. Said society shall have its headquarters or principal office at Washington, in the District of Columbia."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.



# TRANSFERRING LAND TO POLICE JURY OF THE PARISH OF RAPIDES, LA.

The Clerk called the joint resolution (S. J. Res. 35) to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas, pursuant to Public Law 148 of the Seventy-ninth Congress, the Secretary of Agriculture conveyed to the board of supervisors of Louisiana State University and Agricultural and Mechanical College, for use for the establishment and maintenance of an agricultural and vocational school, certain lands held by the United States under an agreement of transfer with the Louisiana Rural Rehabilitation Corporation, dated March 31, 1937, such lands to revert to the United States if not used for such purpose; and

Whereas, in accordance with the Rural Rehabilitation Trust Liquidation Act (Public Law 499, 81st Cong.), the Secretary of Agriculture on January 2, 1951, transferred the assets being administered by the United States under the agreement of March 31, 1937, to the Louisiana Rural Rehabilitation Corporation, and the Louisiana Rural Rehabilitation Corporation on January 8, 1951, transferred such assets back to the United States; and

Whereas it is desired to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer 25 acres of the lands transferred to such board of supervisors, as aforesaid, to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions: Now, therefore, be it

*Resolved, etc.,* That, upon the written consent of the Louisiana Rural Rehabilitation Corporation, the Secretary of Agriculture is authorized and directed to transfer by quitclaim deed or other appropriate means to the board of supervisors of Louisiana State University and Agricultural and Mechanical College so much of the right, title, and interest held by the United States in and to the lands transferred to such board of supervisors pursuant to the act entitled "an act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College" (Public Law 148, 79th Cong.), as may be necessary to permit such board to convey 25 acres of land to the police jury of the Parish of Rapides for use for the sole purpose of holding livestock and agricultural expositions thereon.

Sec. 2. The transfer of such lands shall not be deemed to impose any liability upon the Secretary of Agriculture with respect to his obligations under the transfer agreements with the Louisiana Rural Rehabilitation Corporation.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AMENDING SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The Clerk called the bill (H. R. 3091) to amend the Soil Conservation and Domestic Allotment Act.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the present consideration of the bill?

Mr. MARSHALL. Mr. Speaker, reserving the right to object, just what does this bill do?

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

## AUTHORIZING AIR FORCE OFFICERS TO TAKE ACTION ON REPORTS AND VOUCHERS

The Clerk called the bill (H. R. 1203) to amend the act of October 30, 1941, as amended, to authorize Air Force officers designated by the Secretary of the Air Force to take action on reports of survey and vouchers pertaining to the loss, damage, spoilage, unserviceability, unsuitability, or destruction of Government property.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the act of October 30, 1941 (55 Stat. 758, ch. 465), as amended by section 402 of the Army Organization Act of 1950, is further amended to read as follows:

"Under such regulations as may be prescribed by the Secretary of the Army and the Secretary of the Air Force, for their respective Departments, officers designated by them may take action upon reports of survey and all other vouchers pertaining to the loss, damage, spoilage, unserviceability, unsuitability, or destruction of property of the United States under the control of their respective departments, and the action taken by any such officer on said surveys or vouchers shall be final: *Provided,* That in any such case where a person or concern is held pecuniarily liable in an amount in excess of \$100, such findings shall not be final until approved by the Secretary concerned or an officer designated by and acting under the authority of such Secretary for the purpose of reviewing such findings."

With the following committee amendment:

Strike out all after the enacting clause and insert the following in lieu thereof: "That under regulations prescribed by the Secretary of the Air Force, designated officers may take action upon reports of survey and all other vouchers pertaining to the loss, damage, spoilage, unserviceability, unsuitability, or destruction of property of the United States under the control of the Department of the Air Force, and the action taken by any such officer on those surveys or vouchers shall be final: *Provided,* That in any such case where a person or concern is held pecuniarily liable, the findings shall not be final until approved by the Secretary of the Air Force or by such officers as the Secretary may designate."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize officers designated by the Secretary of the Air Force to take action on reports of survey and vouchers pertaining to Government property."

A motion to reconsider was laid on the table.

## RELIEF OF CERTAIN NAVAL ATTACHÉS AND OBSERVERS

The Clerk called the bill (H. R. 2737) to authorize the reimbursement of certain naval attachés, observers, and other officers for certain expenses incurred

while on authorized missions in foreign countries.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RABAUT. Mr. Speaker, reserving the right to object, will someone explain the bill?

Mr. KILDAY. Mr. Speaker, my recollection is that one appropriation bill contained this limitation and always before that and always since the naval attachés have been able to employ servants for strictly official entertainment. I think it was the 1949 or 1950 appropriation bill which contained that limitation. But the Committee on Appropriations has since eliminated that provision. The amount involved is only \$89,000.

Mr. RABAUT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That, notwithstanding the proviso in section 1 of the act of July 18, 1947, under the headings, "Bureau of Supplies and Accounts" and "Pay and subsistence of naval personnel" (61 Stat. 388), naval personnel shall be entitled to reimbursement for amounts expended by them during the fiscal year 1948 for hiring and maintaining permanent household staffs or for hiring servants for specific occasions of official entertainment, while in the performance of their duties in foreign countries as attachés, observers, or on any other authorized missions in connection with naval intelligence: *Provided,* That any payments which have heretofore been made for such purposes are hereby expressly validated.

With the following committee amendment:

On page 1, line 6, strike out the word "naval" and insert in lieu thereof the words "Navy and Marine Corps."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AMENDING SECTION 12 OF THE MISSING PERSONS ACT, AS AMENDED

The Clerk called the bill (H. R. 1199) to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, while this is a very worth while bill, you will note it calls for an expenditure of more than \$3,000,000, and therefore is not properly on the Consent Calendar. I have talked with the chairman of the Committee on Armed Services, as well as the gentleman from Texas [Mr. KILDAY], chairman of the subcommittee which reported the bill, and it is understood that at a later time they will call the bill up under suspension of the rules.

Therefore, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PROVIDING THAT A MESS OPERATED UNDER THE DIRECTION OF A SUPPLY CORPS OFFICER CAN BE OPERATED EITHER ON A QUANTITY OR MONETARY-RATION BASIS

The Clerk called the bill (H. R. 1201) to amend section 4 of the Act of March 2, 1933 (47 Stat. 1423), as amended, so as to provide that a mess operated under the direction of a Supply Corps Officer can be operated either on a quantity or on a monetary-ration basis.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 4 of the act entitled "An act to effect needed changes in the Navy ration," approved March 2, 1933 (47 Stat. 1423), as amended, is further amended by striking out the words "limit of the cost of ration on destroyers, submarines, mine sweepers, tugs, aircraft, and other vessels and stations subsisted under the direction of commanding officers" and substituting in lieu thereof the words "monetary limit of the cost of ration aboard such ships and at such stations where in his opinion it is not desirable to administer the mess under the quantity allowances stated in section 1."

With the following committee amendments:

On page 1, line 6, strike out the word "ration" and substitute in lieu thereof the word "rations."

On page 1, lines 6 and 7, strike out the word "submarine" and substitute in lieu thereof the word "submarines."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN LAND AND OTHER PROPERTY TRANSACTIONS

The Clerk called the bill (H. R. 1215) to authorize certain land and other property transactions, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, in light of the fact that there is no departmental report with reference to this legislation, and in view of the policy of the Committee on the Consent Calendar, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONVEYING HOSPITAL EQUIPMENT TO THE REPUBLIC OF PHILIPPINES FOR PHILIPPINE SCOUTS

The Clerk called the bill (H. R. 1216) to authorize the President to convey and assign all equipment contained in or appertaining to the United States Army Provisional Philippine Scout Hospital at Fort McKinley, Philippines, to the Republic of the Philippines and to assist by

grants-in-aid the Republic of the Philippines in providing medical care and treatment for certain Philippine Scouts hospitalized therein.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice. It has no department reports accompanying it.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. SASSCER. Mr. Speaker, reserving the right to object, I think this bill does have a departmental report accompanying it. It is report No. 456.

Mr. BYRNES of Wisconsin. Where in report 456 does one find the departmental report?

Mr. SASSCER. I am mistaken, Mr. Speaker. The departmental report is not here. I would like to take this moment, however, to make a few comments. I was quite sure the Department had approved the bill. It is true that there is no official report here, but we conducted a rather extensive hearing, and in that hearing the particular departments affected did appear before the committee and approve the legislation. Reference is made in the report on it on page 5 in the last two or three sentences.

This particular bill differs from most others that come upon this floor. It saves the Government a substantial amount of money. Some time back the hospital in the Philippine Islands became the property of the Philippine Government. We have taken out of that hospital the usable equipment. This bill permits the transfer of approximately \$250,000 in replaceable equipment. We are then relieved of our responsibility of running the hospital. The hospital is costing the Government today approximately a million and a half dollars a year. In the next 5 years that would cost approximately \$7,500,000. At the end of the 5-year term we are also relieved of the responsibility of taking care of a few Philippine Scouts, something around 125 of them, now in the hospital. So, in substance, we are getting out of the hospital in the Philippines, relieving ourselves of the responsibility of financing it, and for a 5-year period we assume the care of approximately 125 Philippine Scouts, which would cost us approximately a million dollars.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. BYRNES of Wisconsin. My request did not go to the merits of the legislation. I certainly agree, from what information I have on the bill and from what the gentleman just said, that it is meritorious legislation. As a member of the objectors' committee, however, all of us operate under a handicap when a report does not contain the departmental reports covering the legislation. My request was intended to focus attention on that, rather than to go to the merits of the legislation.

On the gentleman's further assurance that the Department of Defense is wholeheartedly in support of the legislation I withdraw my request, Mr. Speaker.

Mr. SASSCER. I thank the gentleman and will be glad to give the House that assurance. The Department of Defense approves the proposed legislation and the Budget Bureau advises that there is no objection to it.

Mr. BYRNES of Wisconsin. And the Department of Defense approves it in the present form?

Mr. SASSCER. In its present form; yes.

Mr. BYRNES of Wisconsin. It is very possible to have the Department approve a bill and then by the time the bill comes to the floor find it different in many respects from the bill originally approved. The gentleman does assure the House that as far as the bill in its present form is concerned it is approved by the Department.

Mr. SASSCER. That is correct.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my request.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the President is authorized, subject to such terms as may be prescribed in an agreement between the United States of America and the Republic of the Philippines, to convey and assign, without cost to the Republic of the Philippines, all right, title, and interest of the United States in and to all equipment contained in or appertaining to the hospital formerly known as the United States Army Provisional Philippine Scout Hospital located at Ft. McKinley, Philippine Islands, which hospital heretofore was transferred to the Republic of the Philippines pursuant to authorization contained in Public Law 381, Seventy-sixth Congress (58 Stat. 626), for the use of the Republic of the Philippines in providing medical care, treatment, and hospitalization to (a) persons who on the effective date of this act are Philippine Scouts under treatment in such hospital, until such persons shall be discharged therefrom, and (b) such other persons as shall be determined by the Republic of the Philippines: *Provided*, That such agreement shall include appropriate provision that—

(1) persons who on the effective date of this act are Philippine Scouts undergoing treatment at such hospital shall, until discharge therefrom, have priority of medical care, treatment, and hospitalization over all other individuals; and

(2) such hospital shall continue to be operated for the purpose of providing medical care, treatment, and hospitalization to such persons until their discharge therefrom unless the Republic of the Philippines elects to provide such medical care, treatment, and hospitalization in other hospitals.

Sec. 2. The President is authorized, subject to the provisions of this act, for a period of not to exceed 5 years, to furnish aid in the form of grants to reimburse the Republic of the Philippines for moneys expended incident to the medical care, treatment, and hospitalization of persons who on the effective date of this act are Philippine Scouts under treatment at the United States Army Provisional Philippine Scout Hospital, until they are discharged from hospitalization pursuant to section 1.

Sec. 3. The President may from time to time prescribe such rules and regulations



and impose such conditions on the grant of financial aid, as may be necessary to carry out the provisions of this act; and he may delegate in whole or in part the authority conferred upon him by this act to any officer or officers of the United States.

SEC. 4. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### VOLUNTEER ENLISTMENTS

The Clerk called the bill (H. R. 1200) to correct an error in section 1 of the act of June 28, 1947, "to stimulate volunteer enlistments in the Regular Military Establishment of the United States."

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 1 of the act of June 28, 1947 (61 Stat. 191), is amended by deleting the words "last paragraph of section 127a of this act" and inserting in lieu thereof the words "last paragraph of section 127a of the National Defense Act, as amended (10 U. S. C. 634)."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### TRANSFER OF MILITARY PRISONERS AND CONFINEMENT FACILITIES TO THE ATTORNEY GENERAL

The Clerk called the bill (H. R. 2735) to authorize the transfer of certain military prisoners and confinement facilities to the control and management of the Attorney General.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That (a) the Secretaries of the Army and Navy are severally authorized, without reimbursement or transfer of funds, to transfer to the control and management of the Attorney General, as mutually agreed upon, any part or all of the physical properties and facilities comprising the United States disciplinary barracks, including the several branches thereof, and the United States naval disciplinary barracks, and such other facilities under the control of the Departments of the Army or Navy and the Secretaries of the Army or Navy, as may be necessary to the operation of such barracks, together with any part or all of the personal property, equipment, furniture, supplies, and records located thereon or used in the operation or maintenance of such disciplinary barracks or facilities. When no longer required for the purposes of this act, any of the institutions and related facilities, together with the personal property, equipment, furniture, supplies, and records thereof, may be retransferred by the Attorney General without reimbursement or transfer of funds to the Department of the Army, Navy, or Air Force, as appropriate, on terms to be mutually agreed upon.

(b) The lands or reservations upon which the several United States disciplinary barracks transferred pursuant to this act are located shall be available and may be used for military tactical training purposes when such use in the judgment of the Attorney General does not interfere with the safekeeping of the inmates.

SEC. 2. The Secretaries of the Army and Navy and Air Force are authorized to transfer to the control and management of the

Attorney General, as mutually agreed upon, any or all inmates undergoing confinement in the United States disciplinary barracks, including branches thereof, and United States naval disciplinary barracks. The military institutions transferred hereunder and the penal and correctional institutions (except penitentiaries) under the control and management of the Attorney General shall be deemed to be United States disciplinary barracks for the purpose of the confinement of inmates sentenced under the Articles of War: *Provided*, That the authority of the Secretaries of the Army, Navy, and Air Force, and such other officers of their respective departments as may be authorized by law, to order the suspension, mitigation, or remission of any unexecuted portion of the sentence of any person confined pursuant to sentence of a court martial or other military tribunal and their authority to restore such persons to duty shall not be affected by this act.

SEC. 3. In amounts as may be agreed upon by the heads of the Departments concerned and with the approval of the Bureau of the Budget, the unobligated portions of any funds currently available to the Department of the Army, Navy, or Air Force for the administration, operation, and maintenance of any institutions transferred hereunder, or for the safekeeping, maintenance, care, and related expenses of prisoners transferred hereunder, may be transferred to the Department of Justice and shall be merged with any other appropriations for expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including those transferred under this act.

SEC. 4. The inmates transferred to the control and management of the Attorney General shall be entitled to the more liberal of the good-time allowances provided by either sections 4161 to 4166 of title 18, United States Code, or any applicable regulations promulgated by the Secretaries of the Army, Navy, or Air Force.

SEC. 5. Except as otherwise specifically provided in this act, the provisions of part III of title 18, United States Code, relating to prisons and prisoners shall be applicable to inmates and institutions transferred to the control and management of the Attorney General.

SEC. 6. That portion of section 1 of the act of March 4, 1915, authorizing the Secretary of War to establish a system of parole for prisoners confined in United States disciplinary barracks (ch. 143, 38 Stat. 1075), as amended, and all of section 2 of the said act except paragraph 7 (ch. 143, 38 Stat. 1084), as amended, relating to United States disciplinary barracks, shall not be applicable to inmates or institutions under the control and management of the Attorney General.

SEC. 7. Section 4005 of title 18 of the United States Code (18 U. S. C. 4005) is amended by amending the title to read as follows: "Sec. 4005. Medical Relief; Expenses; Detail of Military Personnel" and adding at the end thereof the following new subsection:

"(c) Upon request of the Attorney General, the Secretaries of the Army, Navy, and Air Force are severally authorized to detail officers, warrant officers, and enlisted personnel to duty at institutions under the control and management of the Attorney General for such professional or specialized duties as may be agreed upon."

With the following committee amendment:

On pages 2 and 3 delete section 2 and substitute the following new section:

"SEC. 2. The Secretary of the Treasury, and the Secretaries of the Army, Navy, and Air Force are authorized to transfer to the control and management of the Attorney General, as mutually agreed upon, prisoners

confined pursuant to a sentence of a court-martial or other military tribunal, which sentence has been approved by the convening authority, notwithstanding that appellate review may not have been completed. The military institutions transferred hereunder and the penal and correctional institutions (except penitentiaries) under the control and management of the Attorney General shall be deemed to be United States disciplinary barracks for the purpose of article 42 of the Articles of War: *Provided*, That the authority of the Secretary of the Treasury and the Secretaries of the Army, Navy, and Air Force, and such other officers as may be authorized by law—

"(1) to take any action authorized by the act of May 5, 1950 (Public Law 506, 81st Cong.), and regulations promulgated thereunder, prior to completion of appellate review and final action taken pursuant thereto, and

"(2) to take any action authorized by law with respect to a sentence adjudged by court-martial subsequent to appellate review and final action on such sentence, to the same extent as though the prisoner so transferred were restrained continuously under the control of an armed force,

shall not be affected by this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ADVANCES FOR CLOTHING AND EQUIPMENT TO CADETS AND MIDSHIPMEN

The Clerk called the bill (H. R. 2736) to authorize advances for clothing and equipment to cadets at the Military Academy and to midshipmen at the Naval Academy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Army and the Secretary of the Navy are respectively authorized to prescribe the sum which shall be credited to each new cadet or midshipman, upon first admission to the Military Academy or the Naval Academy, to cover the cost of his initial clothing and equipment issue, which sum shall be deducted subsequently from his pay: *Provided*, That hereafter each cadet or midshipman discharged prior to graduation who is indebted to the United States on account of advances of pay to purchase required clothing and equipment shall be required to turn in to the respective academies all clothing and equipment of a distinctively military nature to the extent required to discharge such indebtedness; and, if the value of such clothing and equipment so turned in does not cover the indebtedness so incurred, then such indebtedness shall be canceled.

SEC. 2. That part of the act of June 30, 1921 (42 Stat. 68, 95), under the heading "United States Military Academy—Permanent Establishment" which reads: "*Provided further*, That hereafter each new cadet shall, upon admission to the United States Military Academy, be credited with the sum of \$250 to cover the cost of his initial clothing and equipment issue, to be deducted subsequently from his pay."; and that part of the act of July 12, 1921 (42 Stat. 122, 131), under the heading "Bureau of Supplies and Accounts", which reads: "*Provided*, That hereafter each new midshipman shall, upon admission to the Naval Academy, be credited with the sum of \$250 to cover the cost of his initial clothing and equipment issue, to be deducted subsequently from his pay.", are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CENTRAL INTELLIGENCE AGENCY

The Clerk called the bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. NICHOLSON. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Maryland what this bill means.

Mr. SASSCER. This is a Senate bill from which the House committee eliminated what we thought was the controversial part.

The bill provides in substance for the immediate employment of not to exceed 15 persons on the retired list—not retired for disability but on the retired list in the United States Army. I may say briefly that these particular positions are directed to a field of special training in which the Central Intelligence Agency feels that by virtue of the past experience and associations of these particular persons, some of whom they have in mind, they can get persons qualified to do this particular work. It is vitally important, and they feel the authority should be given them as quickly as possible. We had an open session, then we went into a closed session, and the subcommittee was unanimously of the opinion that the bill was important.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. SASSCER. I yield.

Mr. GOLDEN. I think our committee heard that this bill would save the Government a good deal of money. These persons who are experts in their line are now drawing retirement pay. They are needed badly in the various services, and if they are taken from retirement, they will not cost the Government any more than new employees, and the Government will then save the retirement pay that is going to these 15 people.

Mr. SASSCER. That is correct. The bill provides that they do not draw their retirement pay and that of the office to which they will be appointed.

Mr. NICHOLSON. As I understand it, this bill gives the officers of the United States Army, including warrant officers, double pay?

Mr. SASSCER. No. Under existing law, the Central Intelligence Agency cannot go out and get these particular persons. This gives them the authority to go out and get these particular people and provides specifically that they shall not get dual pay.

Mr. NICHOLSON. Mr. Speaker, I want to look this matter up. Therefore I ask unanimous consent that the bill be passed over without prejudice.

Mr. SHORT. Mr. Speaker, may I say to the gentleman that this measure simply makes possible that Central Intelligence Agency may employ up to not exceeding 15 experts, men of extraordinary skill, men of long experience, that it would be difficult to find anywhere else. It is because of their exceptional skill, outstanding ability, and long experience

that they desire to have these individuals. Instead of costing us additional money, it will, as the gentleman from Kentucky and the gentleman from Maryland pointed out, save us much money, and I hope the gentleman will not ask that it go over.

Mr. McCORMACK. Mr. Speaker, I may say to the gentleman from Massachusetts that General Smith, who is head of CIA, also considers it is vitally important that he be given this authority.

Mr. NICHOLSON. Mr. Speaker, after listening to the gentleman from Massachusetts, the gentleman from Missouri, and the gentleman from Maryland I withdraw my request.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 6 of the Central Intelligence Agency Act of 1949 (Act of June 20, 1949, ch. 227, sec. 6, 63 Stat. 211) is hereby amended by the addition of a subsection "(f)" as follows:

"(f) (1) Notwithstanding section 2 of the act of July 31, 1894 (28 Stat. 205), as amended (5 U. S. C. A. 62), or any other law prohibiting the employment of any retired commissioned or warrant officer of the armed services, the Agency is hereby authorized to employ and to pay the compensation of not more than 15 retired officers or warrant officers of the armed services while performing service for the Agency, but while so serving such retired officer or warrant officer will be entitled to receive only the compensation of his position with the Agency, or his retired pay, whichever he may elect: *Provided*, That upon appointment under the authorities of this subsection, or any other authority of law, officers or warrant officers retired for injuries or incapacities incurred in line of duty may, in addition to the elections set forth herein, elect to receive, in addition to their retired pay, additional compensation at a rate equal to the amount by which the compensation of their position with the Agency exceeds their retired pay.

"(2) Nothing in this section shall limit or affect the appointment of and payment of compensation to retired officers or warrant officers not presently or hereafter prohibited by law."

With the following committee amendment:

Page 2, line 6, strike out all after the word "*Provided*" and all of lines 7 to 13, inclusive.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AMENDING CERTAIN TITLES OF THE UNITED STATES CODE

The Clerk called the bill (H. R. 3899) to amend certain titles of the United States Code, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the fourth clause after the opening clause of section 1 of Title 1, United States Code, entitled "General Provisions", is amended by striking out the word "use" appearing in such clause, and in lieu thereof inserting "used", so that such clause will read as follows: "words used in the present tense include the future as well as the present";

SEC. 2. (a) The analysis of Chapter 2 of Title 1, United States Code, immediately

preceding section 101 of such title, is amended by inserting, immediately underneath item 106 in such analysis, the following two items:

"106a. Promulgation of laws.

"106b. Amendments to Constitution."

(b) Title 1, United States Code, is further amended by inserting, immediately following section 106 of such title, the following two sections:

"§ 106a. Promulgation of laws

"Whenever a bill, order, resolution, or vote of the Senate and House of Representatives, having been approved by the President, or not having been returned by him with his objections, becomes a law or takes effect, it shall forthwith be received by the Administrator of General Services from the President; and whenever a bill, order, resolution, or vote is returned by the President with his objections, and, on being reconsidered, is agreed to be passed, and is approved by two-thirds of both Houses of Congress, and thereby becomes a law or takes effect, it shall be received by the Administrator of General Services from the President of the Senate, or Speaker of the House of Representatives in whichever House it shall last have been so approved, and he shall carefully preserve the originals.

"§ 106b. Amendments to Constitution

"Whenever official notice is received at the General Services Administration that any amendment proposed to the Constitution of the United States has been adopted, according to the provisions of the Constitution, the Administrator of General Services shall forthwith cause the amendment to be published, with his certificate, specifying the States by which the same may have been adopted, and that the same has become valid, to all intents and purposes, as a part of the Constitution of the United States."

SEC. 3. Section 112 of Title 1, United States Code, is amended by striking out, in the first sentence of the text of such section, the reference "205 of the Revised Statutes", and in lieu thereof inserting "106b of this title", so that such section 112 will read as follows:

"§ 112. Statutes at large; contents; admissibility in evidence

"The Administrator of General Services shall cause to be compiled, edited, indexed, and published, the United States Statutes at Large, which shall contain all the laws and concurrent resolutions enacted during each regular session of Congress; all proclamations by the President in the numbered series issued since the date of the adjournment of the regular session of Congress next preceding; and also any amendments to the Constitution of the United States proposed or ratified pursuant to article V thereof since that date, together with the certificate of the Administrator of General Services issued in compliance with the provision contained in section 106b of this title. In the event of an extra session of Congress, the Administrator of General Services shall cause all the laws and concurrent resolutions enacted during said extra session to be consolidated with, and published as part of, the contents of the volume for the next regular session. The United States Statutes at Large shall be legal evidence of laws, concurrent resolutions, treaties, international agreements other than treaties, proclamations by the President, and proposed or ratified amendments to the Constitution of the United States therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States."

SEC. 4. The analysis of Title 3, United States Code, entitled "The President", immediately preceding Chapter 1 of such title, is amended by inserting, immediately after



and underneath item 3 in such analysis, the following new item:

"4. Delegation of Functions ..... 301".

Sec. 5. The analysis of Chapter 1 of Title 3, United States Code, immediately preceding section 1 of such title, is amended (1) by striking out, in item 6 of such analysis, the words "Secretary of State" and in lieu thereof inserting "Administrator of General Services", so that such item will read "6. Credentials of electors; transmission to Administrator of General Services and to Congress; public inspection."; and (2) by striking out, in item 12 of such analysis, the words "Secretary of State" and in lieu thereof inserting "Administrator of General Services", so that such item will read "12. Failure of certificates of electors to reach President of Senate or Administrator of General Services; demand on State for certificate."

Sec. 6. Section 6 of Title 3, United States Code, is amended to read as follows:

"§ 6. Credentials of electors; transmission to Administrator of General Services and to Congress; public inspection

"It shall be the duty of the executive of each State, as soon as practicable after the conclusion of the appointment of the electors in such State by the final ascertainment, under and in pursuance of the laws of such State providing for such ascertainment, to communicate by registered mail under the seal of the State to the Administrator of General Services a certificate of such ascertainment of the electors appointed, setting forth the names of such electors and the canvass or other ascertainment under the laws of such State of the number of votes given or cast for each person for whose appointment any and all votes have been given or cast; and it shall also thereupon be the duty of the executive of each State to deliver to the electors of such State, on or before the day on which they are required by section 7 of this title to meet, six duplicate originals of the same certificate under the seal of the State; and if there shall have been any final determination in a State in the manner provided for by law of a controversy or contest concerning the appointment of all or any of the electors of such State, it shall be the duty of the executive of such State, as soon as practicable after such determination, to communicate under the seal of the State to the Administrator of General Services a certificate of such determination in form and manner as the same shall have been made; and the certificate or certificates so received by the Administrator of General Services shall be preserved by him for one year and shall be a part of the public records of his office and shall be open to public inspection; and the Administrator of General Services at the first meeting of Congress thereafter shall transmit to the two Houses of Congress copies in full of each and every such certificate so received at the General Services Administration."

Sec. 7. Section 11 of Title 3, United States Code, is amended to read as follows:

§ 11. Disposition of certificates

"The electors shall dispose of the certificates so made by them and the lists attached thereto in the following manner:

"First. They shall forthwith forward by registered mail one of the same to the President of the Senate at the seat of government.

"Second. Two of the same shall be delivered to the secretary of state of the State, one of which shall be held subject to the order of the President of the Senate, the other to be preserved by him for one year and shall be a part of the public records of his office and shall be open to public inspection.

"Third. On the day thereafter they shall forward by registered mail two of such certificates and lists to the Administrator of General Services at the seat of government, one of which shall be held subject to the

order of the President of the Senate. The other shall be preserved by the Administrator of General Services for one year and shall be a part of the public records of his office and shall be open to public inspection.

"Fourth. They shall forthwith cause the other of the certificates and lists to be delivered to the judge of the district in which the electors shall have assembled."

Sec. 8. Section 12 of Title 3, United States Code, is amended to read as follows:

"§ 12. Failure of certificates of electors to reach President of Senate or Administrator of General Services; demand on State for certificate

"When no certificate of vote and list mentioned in sections 9 and 11 of this title from any State shall have been received by the President of the Senate or by the Administrator of General Services by the fourth Wednesday in December, after the meeting of the electors shall have been held, the President of the Senate or, if he be absent from the seat of government, the Administrator of General Services shall request, by the most expeditious method available, the secretary of state of the State to send up the certificate and list lodged with him by the electors of such State; and it shall be his duty upon receipt of such request immediately to transmit same by registered mail to the President of the Senate at the seat of government."

Sec. 9. Section 13 of Title 3, United States Code, is amended to read as follows:

"§ 13. Same; demand on district judge for certificate

"When no certificates of votes from any State shall have been received at the seat of government on the fourth Wednesday in December, after the meeting of the electors shall have been held, the President of the Senate or, if he be absent from the seat of government, the Administrator of General Services shall send a special messenger to the district judge in whose custody one certificate of votes from that State has been lodged, and such judge shall forthwith transmit that list by the hand of such messenger to the seat of government."

Sec. 10. Title 3 of the United States Code is further amended by inserting, immediately after section 208 of such title, the following new chapter:

#### "CHAPTER 4.—DELEGATION OF FUNCTIONS

"Sec.

301. General authorization to delegate functions; publication of delegations.

302. Scope of delegation of functions.

303. Definitions.

"§ 301. General authorization to delegate functions; publication of delegations

"The President of the United States is authorized to designate and empower the head of any department or agency in the executive branch, or any official thereof who is required to be appointed by and with the advice and consent of the Senate, to perform without approval, ratification, or other action by the President (1) any function which is vested in the President by law, or (2) any function which such officer is required or authorized by law to perform only with or subject to the approval, ratification, or other action of the President: *Provided*, That nothing contained herein shall relieve the President of his responsibility in office for the acts of any such head or other official designated by him to perform such functions. Such designation and authorization shall be in writing, shall be published in the Federal Register, shall be subject to such terms, conditions, and limitations as the President may deem advisable, and shall be revocable at any time by the President in whole or in part.

"§ 302. Scope of delegation of functions

"The authority conferred by this chapter shall apply to any function vested in the President by law if such law does not affirmatively prohibit delegation of the performance of such function as herein provided for, or specifically designate the officer or officers to whom it may be delegated. This chapter shall not be deemed to limit or derogate from any existing or inherent right of the President to delegate the performance of functions vested in him by law, and nothing herein shall be deemed to require express authorization in any case in which such an official would be presumed in law to have acted by authority or direction of the President.

"§ 303. Definitions

"As used in this chapter, the term 'function' embraces any duty, power, responsibility, authority, or discretion vested in the President or other officer concerned, and the terms 'perform' and 'performance' may be construed to mean 'exercise'."

Sec. 11. The analysis of Title 4, United States Code, entitled "Flag and Seal, Seat of Government, and the States", immediately preceding Chapter 1 of such title, is amended by inserting, immediately after and underneath item 4 in such analysis, the following new item:

"5. Official Territorial Papers.....141".

Sec. 12. Title 4 of the United States Code is further amended by inserting, immediately after section 111 of such title, the following new chapter:

#### "CHAPTER 5.—OFFICIAL TERRITORIAL PAPERS "Sec.

141. Collection, preparation and publication.

142. Appointment of experts.

143. Employment and utilization of other personnel; cost of copy reading and indexing.

144. Cooperation of departments and agencies.

145. Printing and distribution.

146. Authorization of appropriations.

"§ 141. Collection, preparation and publication

"The Administrator of General Services, hereinafter referred to in this chapter as the 'Administrator', shall continue to completion the work of collecting, editing, copying, and suitably arranging for issuance as a Government publication, the official papers relating to the Territories from which States of the United States were formed, in the national archives, as listed in Parker's 'Calendar of Papers in Washington Archives Relating to the Territories of the United States (to 1873)', being publication numbered 148 of the Carnegie Institution of Washington, together with such additional papers of like character which may be found.

"§ 142. Appointment of experts

"For the purpose of carrying on the work prescribed by section 141 of this title, the Administrator, without regard to the Classification Act of 1949 and the civil service laws and regulations thereunder, may engage the services, either in or outside of the District of Columbia, of not to exceed five historical experts who are especially informed on the various phases of the territorial history of the United States and are especially qualified for the editorial work necessary in arranging such territorial papers for publication.

"§ 143. Employment and utilization of other personnel; cost of copy reading and indexing

"(a) In carrying out his functions under this chapter, the Administrator may employ such clerical assistants as may be necessary.

"(b) The work of copy reading and index making for the publication of the papers described in section 141 of this title shall be done by the regular editorial staff of the General Services Administration, and the cost of this particular phase of the work (prorated each month according to the number of hours spent and the annual salaries of the clerks employed) shall be charged against the annual appropriations made under section 146 of this title.

**"§ 144. Cooperation of departments and agencies**

"The heads of the several executive departments and independent agencies and establishments shall cooperate with the Administrator in the work prescribed by section 141 of this title by permitting access to any records deemed by him to be necessary to the completion of such work.

**"§ 145. Printing and distribution**

"(a) The Public Printer shall print and bind each volume of the official papers relating to the Territories of the United States as provided for in this chapter, of which—

"(1) four hundred and twenty copies shall be delivered to the Superintendent of Documents, Government Printing Office, for distribution, on the basis of one copy each, and as directed by the Administrator, to those historical associations, commissions, museums, or libraries, and other nondepository libraries, not to exceed eight in number within each State, Territory, or Possession, which have been or may be designated by the Governor thereof to receive such copies;

"(2) one hundred copies shall be delivered to the General Services Administration for the use of that Administration; and

"(3) one hundred copies shall be delivered to the Superintendent of Documents for distribution in such manner and number as may be authorized and directed by the Joint Committee on Printing.

"(b) The historical associations, commissions, museums, or libraries, and other nondepository libraries within each State, Territory, or Possession which have been or may be designated by the Governor thereof to receive the publications referred to in subsection (a) of this section, shall, during their existence, receive the succeeding volumes, the distribution of which shall be made by the Superintendent of Documents in accordance with lists of designations transmitted to him by the Administrator. A new designation may be made to the Administrator by the Governor only when a designated association, commission, museum, or library shall cease to exist, or when authorized by law.

**"§ 146. Authorization of appropriations**

"For the purposes of this chapter, there are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, sums of not more than \$50,000 for any one fiscal year."

SEC. 13. Section 1 of Title 6, United States Code, entitled "Official and Penal Bonds," is amended by striking out the words "collectors of internal revenue," so that such section will read as follows:

**"§ 1. Custody**

"All bonds of the Treasurer of the United States, collectors, comptrollers of customs, surveyors, and other officers of the customs, either as such officers or as disbursing officers of the Treasury, bonds of the Secretary of the Senate, Clerk of the House of Representatives, and the Sergeant at Arms of the House of Representatives, shall be placed in the custody of the Secretary of the Treasury and filed as he may direct; and the duties required by law on March 2, 1895, of the Comptroller of the Treasury in regard to such bonds, as the successor of the Commissioner of Customs and First Comptroller of the Treasury, shall be performed by the Secretary of the Treasury."

SEC. 14. The third sentence of section 7 of Title 9, United States Code, entitled "Arbitration," is amended to read as follows: "Said summons shall issue in the name of the arbitrator or arbitrators, or a majority of them, and shall be signed by the arbitrators, or a majority of them, and shall be directed to the said person and shall be served in the same manner as subpoenas to appear and testify before the court. If any person or persons so summoned to testify shall refuse or neglect to obey said summons, upon petition the United States district court for the district in which such arbitrators, or a majority of them, are sitting may compel the attendance of such person or persons before said arbitrator or arbitrators, or punish said person or persons for contempt in the same manner provided by law for securing the attendance of witnesses or their punishment for neglect or refusal to attend in the courts of the United States."

SEC. 15. Section 760 of Title 14, United States Code, entitled "Coast Guard," is amended (1) by striking out, in subsection (a) of such section, the words "Bureau of Employees' Compensation, Federal Security Agency," and in lieu thereof inserting "Secretary of Labor"; and (2) by striking out, in subsection (c) of such section, the words "Bureau for benefit, because of an alleged injury or death, the Bureau shall notify" and in lieu thereof inserting "Secretary of Labor for benefits because of an alleged injury or death, the Secretary of Labor, or such officer, agency or employee of the Department of Labor as he shall designate, shall notify", so that such section will read as follows:

**"§ 760. Disability or death benefits for temporary members**

"(a) In case of physical injury, or death resulting from physical injury, to any temporary member of the Reserve incurred incident to service while performing active Coast Guard duty, or engaged in authorized travel to or from such duty, the provisions of law authorizing compensation for employees of the United States suffering injuries while in the performance of their duties, subject to this section, shall apply, and shall be administered by the Secretary of Labor in the same manner and to the same extent as if such person were a civil employee of the United States and were injured in the performance of his duty. For benefit computation, regardless of pay or pay status, such person shall be deemed to have had monthly pay of \$150.

"(b) This section does not apply in any case coming within the purview of the Workmen's Compensation Law of any state, territory, or other jurisdiction because of a concurrent employment status of such temporary member; and where such temporary member or dependent would be entitled to a benefit under the provisions of law authorizing compensation for employees of the United States suffering injuries while in the performance of their duties and also to any concurrent benefit from the United States on account of the same disability or death, such temporary member or dependent shall elect which benefit he shall receive.

"(c) Whenever, pursuant to this section a claim is filed with the Secretary of Labor for benefits because of an alleged injury or death, the Secretary of Labor, or such officer, agency, or employee of the Department of Labor as he shall designate, shall notify the Commandant who shall cause an investigation to be made into the facts surrounding such alleged injury and make certification with respect thereto, including certification as to such injured or deceased person's temporary membership in the Reserve and his military status, and whether the injury or death occurred incident to service.

"(d) Temporary members of the Reserve who incur physical disability or contract sickness or disease while performing any specific

duty to which they have been assigned by competent Coast Guard authority shall be entitled to the same hospital treatment afforded officers and enlisted men of the Coast Guard."

SEC. 16. (a) The first sentence of section 3 of Title 17, United States Code, entitled "Copyrights," is amended by striking out "title" appearing in such sentence, and in lieu thereof inserting "title", so that such sentence will read as follows:

"The copyright provided by this title shall protect all the copyrightable component parts of the work copyrighted, and all matter therein in which copyright is already subsisting, but without extending the duration or scope of such copyright."

(b) The first paragraph of section 8 of Title 17, United States Code, is amended by striking out the word "June" appearing near the end of such paragraph, and in lieu thereof inserting "January", so that such paragraph will read as follows:

"No copyright shall subsist in the original text of any work which is in the public domain, or in any work which was published in this country or any foreign country prior to July 1, 1909, and has not been already copyrighted in the United States, or in any publication of the United States Government, or any reprint, in whole or in part, thereof: *Provided*, That copyright may be secured by the Postmaster General on behalf of the United States in the whole or any part of the publications authorized by section 1 of the Act of January 27, 1938 (39 U. S. C. 371)."

(c) Section 112 of Title 17, United States Code, is amended by striking out, near the beginning of the first sentence in such section, the words "such court", and in lieu thereof inserting "court mentioned in section 1338 of Title 28", so that such section will read as follows:

**"§ 112. Injunctions; service and enforcement**

"Any court mentioned in section 1338 of Title 28 or judge thereof shall have power, upon complaint filed by any party aggrieved, to grant injunctions to prevent and restrain the violation of any right secured by this title, according to the course and principles of courts of equity, on such terms as said court or judge may deem reasonable. Any injunction that may be granted restraining and enjoining the doing of anything forbidden by this title may be served on the parties against whom such injunction may be granted anywhere in the United States, and shall be operative throughout the United States and be enforceable by proceedings in contempt or otherwise by any other court or judge possessing jurisdiction of the defendants."

SEC. 17. Section 114 of Title 17, United States Code, is amended by striking out the reference "110 of this title", appearing in such section, and in lieu thereof inserting "1338 of Title 28", so that such section 114 will read as follows:

**"§ 114. Review of orders, judgments, or decrees**

"The orders, judgments, or decrees of any court mentioned in section 1338 of Title 28 arising under the copyright laws of the United States may be reviewed on appeal in the manner and to the extent now provided by law for the review of cases determined in said courts, respectively."

SEC. 18. The analysis of Chapter 23 of Title 18, United States Code, entitled "Crimes and Criminal Procedure", immediately preceding section 431 of such title, is amended by striking out the item "431. Contracts by Member of Congress; exceptions.", and in lieu thereof inserting "431. Contracts by Member of Congress."

SEC. 19. The catchline to section 431 of Title 18, United States Code, is amended by striking out "; exceptions", so that such



catchline will read as follows: "§ 431. Contracts by Member of Congress".

Sec. 20. (2) Section 443 of Title 18, United States Code, is amended to read as follows:

"§ 443. War contracts

"Whoever willfully secretes, mutilates, obliterates, or destroys—

"(a) any records of a war contractor relating to the negotiation, award, performance, payment, interim financing, cancellation or other termination, or settlement of a war contract of \$25,000 or more; or

"(b) any records of a war contractor or purchaser relating to any disposition of termination inventory in which the consideration received by any war contractor or any government agency is \$5,000 or more, before the lapse of (1) five years after such disposition of termination inventory by such war contractor or government agency, or (2) five years after the final settlement of such war contract, or (3) five years after 12 o'clock noon of December 31, 1946, whichever applicable period is longer, shall, if a corporation, be fined not more than \$50,000, and, if a natural person, be fined not more than \$10,000 or imprisoned not more than five years, or both.

"The Administrator of General Services, by regulation, may authorize the destruction of such records upon such terms and conditions as he deems appropriate, including the requirement for the making and retaining of photographs or microphotographs, which shall have the same force and effect as the originals thereof.

"The definitions of terms in section 103 of Title 41 shall apply to similar terms used in this section."

(b) Section 603 of Title 18, United States Code, is amended by striking out, after "purpose" in such section, the words "from any such person", so that such section will read as follows:

"§ 603. Place of solicitation.

"Whoever, in any room or building occupied in the discharge of official duties by any person mentioned in section 602 of this title, or in any navy yard, fort, or arsenal, solicits or receives any contribution of money or other thing of value for any political purpose, shall be fined not more than \$5,000 or imprisoned not more than three years, or both."

(c) The second paragraph of section 610 of Title 18, United States Code, is amended (1) by inserting after "as the case may be," in such paragraph, the words "and any person who accepts or receives any contribution,"; (2) by inserting a comma after "section" where such word precedes "shall be fined not more than \$1,000" in such paragraph; and (3) by inserting, immediately after "both" and preceding the period at the end of such paragraph, the following: "; and if the violation was willful, shall be fined not more than \$10,000 or imprisoned not more than two years, or both", so that such paragraph will read as follows:

"Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined not more than \$5,000; and every officer or director of any corporation, or officer of any labor organization, who consents to any contribution or expenditure by the corporation or labor organization, as the case may be, and any person who accepts or receives any contribution, in violation of this section, shall be fined not more than \$1,000 or imprisoned not more than one year, or both; and if the violation was willful, shall be fined not more than \$10,000 or imprisoned not more than two years, or both."

Sec. 21. Section 658 of Title 18, United States Code, is amended by striking out the words "any production credit corporation or corporation in which a production credit cor-

poration holds stock", and in lieu thereof inserting "any production credit association organized under sections 1131-1134m of Title 12, or in which a Production Credit Corporation holds stock", so that such section will read as follows:

"§ 658. Property mortgaged or pledged to farm credit agencies

"Whoever, with intent to defraud, knowingly conceals, removes, disposes of, or converts to his own use or to that of another, any property mortgaged or pledged to, or held by, the Farm Credit Administration, any Federal intermediate credit bank, or the Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation, the Secretary of Agriculture acting through the Farmers' Home Administration, any production credit association organized under sections 1131-1134m of Title 12, or in which a Production Credit Corporation holds stock, any regional agricultural credit corporation, or any bank for cooperatives, shall be fined not more than \$5,000 or imprisoned not more than five years, or both; but if the value of such property does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both."

Sec. 22. The eighth paragraph of section 709 of Title 18, United States Code is amended to read as follows:

"Whoever uses as a firm or business name the words 'Federal Housing', 'National Housing', or 'Public Housing Administration' or any combination or variation of those words alone or with other words reasonably calculated to convey the false impression that such name or business has some connection with, or authorization from, the Federal Housing Administration, the Public Housing Administration, the Government of the United States or any agency thereof, which does not in fact exist, or falsely advertises by any device whatsoever that any project, business or product has been in any way indorsed, authorized or approved by the Federal Housing Administration, the Public Housing Administration, the Government of the United States or any agency thereof; or."

Sec. 23. The analysis of Chapter 37 of Title 18, United States Code, immediately preceding section 791 of such title, is amended by inserting at the end of such analysis, immediately under item 797, the following new item: "798. Disclosure of classified information."

Sec. 24. (a) Title 18 of the United States Code is further amended by inserting in Chapter 37 of such title, immediately following section 797 of such title, the following new section:

"§ 798. Disclosure of classified information

"(a) Whoever knowingly and willfully communicates, furnishes, transmits, or otherwise makes available to an unauthorized person or publishes, or uses in any manner prejudicial to the safety or interest of the United States or for the benefit of any foreign government to the detriment of the United States any classified information—

"(1) concerning the nature, preparation, or use of any code, cipher, or cryptographic system of the United States or any foreign government; or

"(2) concerning the design, construction, use, maintenance, or repair of any device, apparatus, or appliance used or prepared or planned for use by the United States or any foreign government for cryptographic or communication intelligence purposes; or

"(3) concerning the communication intelligence activities of the United States or any foreign government; or

"(4) obtained by the processes of communication intelligence from the communications of any foreign government, knowing

the same to have been obtained by such processes—

"Shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

"(b) As used in subsection (a) of this section—

"The term 'classified information' means information which, at the time of a violation of this section, is, for reasons of national security, specifically designated by a United States Government agency for limited or restricted dissemination or distribution;

"The terms 'code,' 'cipher,' and 'cryptographic system' include in their meanings, in addition to their usual meanings, any method of secret writing and any mechanical or electrical device or method used for the purpose of disguising or concealing the contents, significance, or meanings of communications;

"The term 'foreign government' includes in its meaning any person or persons acting or purporting to act for or on behalf of any faction, party, department, agency, bureau, or military force of or within a foreign country, whether or not such government is recognized by the United States;

"The term 'communication intelligence' means all procedures and methods used in the interception of communications and the obtaining of information from such communications by other than the intended recipients;

"The term 'unauthorized person' means any person who, or agency which, is not authorized to receive information of the categories set forth in subsection (a) of this section, by the President, or by the head of a department or agency of the United States Government which is expressly designated by the President to engage in communication intelligence activities for the United States.

"(c) Nothing in this section shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America, or joint committee thereof."

(b) Section 872 of Title 18, United States Code, is amended (1) by inserting a comma immediately after the word "such" in such section; and (2) by striking out the comma immediately after the word "employment" in such section, so that such section will read as follows:

"§ 872. Extortion by officers or employees of the United States

"Whoever, being an officer, or employee of the United States or any department or agency thereof, or representing himself to be or assuming to act as such, under color or pretense of office or employment commits or attempts an act of extortion, shall be fined not more than \$5,000 or imprisoned not more than three years, or both; but if the amount so extorted or demanded does not exceed \$100, he shall be fined not more than \$500 or imprisoned not more than one year, or both."

Sec. 25. The analysis of chapter 47 of Title 18, United States Code, immediately preceding section 1001 of such title, is amended by striking out, in item 1012 of such analysis, the words "United States Housing Authority" and in lieu thereof inserting "Public Housing Administration", so that such item will read as follows: "1012. Public Housing Administration transactions."

Sec. 26. Section 1012 of Title 18, United States Code, is amended (1) by striking out in the catchline to such section, the words "United States Housing Authority" and in lieu thereof inserting "Public Housing Administration"; (2) by striking out, in the first paragraph of such section, the words "United States Housing Authority" and in lieu thereof inserting "Public Housing Administration"; and (3) by striking out the

word "Authority", wherever it appears in such section, and in lieu thereof inserting "Administration", so that such section will read as follows:

**"§ 1012. Public Housing Administration transactions**

"Whoever, with intent to defraud, makes any false entry in any book of the Public Housing Administration or makes any false report or statement to or for such Administration; or

"Whoever receives any compensation, rebate, or reward, with intent to defraud such Administration or with intent unlawfully to defeat its purposes; or

"Whoever induces or influences such Administration to purchase or acquire any property or to enter into any contract and willfully fails to disclose any interest which he has in such property or in the property to which such contract relates, or any special benefit which he expects to receive as a result of such contract—

"Shall be fined not more than \$1,000 or imprisoned not more than one year, or both."

Sec. 27. Section 1020 of Title 18, United States Code, is amended by striking out "Secretary of Agriculture", where it appears in the first and second paragraphs of such section, and in lieu thereof inserting "Secretary of Commerce", so that the first and second paragraphs will read as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction of any highway or related project submitted for approval to the Secretary of Commerce; or

"Whoever knowingly makes any false statement, false representation, or false report or claim for work or materials for the construction of any highway or related project approved by the Secretary of Commerce; or"

Sec. 28. Section 1114 of Title 18, United States Code, is amended by striking out the words "the field service of the Division of Grazing of the Department of the Interior", appearing in such section, and in lieu thereof inserting "the field service of the Department of the Interior with respect to grazing on public lands", so that such section will read as follows:

**"§ 1114. Protection of officers and employees of the United States**

"Whoever kills any judge of the United States, any United States Attorney, any Assistant United States Attorney, or any United States marshal or deputy marshal or person employed to assist such marshal or deputy marshal, any officer or employee of the Federal Bureau of Investigation of the Department of Justice, any post-office inspector, any officer or employee of the secret service or of the Bureau of Narcotics, any officer or enlisted man of the Coast Guard, any officer or employee of any United States penal or correctional institution, any officer, employee or agent of the customs or of the internal revenue or any person assisting him in the execution of his duties, any immigrant inspector or any immigration patrol inspector, any officer or employee of the Department of Agriculture or of the Department of the Interior designated by the Secretary of Agriculture or the Secretary of the Interior to enforce any Act of Congress for the protection, preservation, or restoration of game and other wild birds and animals, any officer or employee of the National Park

Service, any officer or employee of, or assigned to duty in, the field service of the Department of the Interior with respect to grazing on public lands, any employee of the Bureau of Animal Industry of the Department of Agriculture, or any officer or employee of the Indian field service of the United States, while engaged in the performance of his official duties, or on account of the performance of his official duties, shall be punished as provided under sections 1111 and 1112 of this title."

Sec. 29. Section 1302 of Title 18, United States Code, is amended by striking out the semicolon at the end of the opening clause in the text of such section, and in lieu thereof inserting a colon, so that such clause will read as follows: "Whoever knowingly deposits in the mail, or send or delivers by mail:"

Sec. 30. Section 3113 of Title 18, United States Code, is amended by striking out, in the second paragraph of such section, the words "War Department" and in lieu thereof inserting "Department of the Army", so that such section will read as follows:

**"§ 3113. Liquor violations in Indian country**

"If any superintendent of Indian affairs, or commanding officer of a military post, or special agent of the Office of Indian Affairs for the suppression of liquor traffic among Indians and in the Indian country and any authorized deputies under his supervision has probable cause to believe that any person is about to introduce or has introduced any spirituous liquor, beer, wine or other intoxicating liquors named in sections 1154 and 1156 of this title into the Indian country in violation of law, he may cause the places, conveyances, and packages of such person to be searched. If any such intoxicating liquor is found therein, the same, together with such conveyances and packages of such person, shall be seized and delivered to the proper officer, and shall be proceeded against by libel in the proper court, and forfeited, one-half to the informer and one-half to the use of the United States. If such person be a trader, his license shall be revoked and his bond put in suit.

"Any person in the service of the United States authorized by this section to make searches and seizures, or any Indian may take and destroy any ardent spirits or wine found in the Indian country, except such as are kept or used for scientific, sacramental, medicinal, or mechanical purposes or such as may be introduced therein by the Department of the Army.

"In all cases arising under this section and sections 1154 and 1156 of this title, Indians shall be competent witnesses."

Sec. 31. Section 4122 of Title 18, United States Code, is amended by striking out, in subsections (d) and (e) of such section, the words "National Military Establishment", and in lieu thereof inserting, in each such place, the words "Department of Defense", so that such section will read as follows:

**"§ 4122. Administration of Federal Prison Industries**

"(a) Federal Prison Industries shall determine in what manner and to what extent industrial operations shall be carried on in Federal penal and correctional institutions for the production of commodities for consumption in such institutions or for sale to the departments or agencies of the United States, but not for sale to the public in competition with private enterprise.

"(b) Its board of directors shall provide employment for all physically fit inmates in the United States penal and correctional institutions, diversify, so far as practicable, prison industrial operations and so operate the prison shops that no single private industry shall be forced to bear an undue bur-

den of competition from the products of the prison workshops, and to reduce to a minimum competition with private industry or free labor.

"(c) Its board of directors may provide for the vocational training of qualified inmates without regard to their industrial or other assignments.

"(d) The provisions of this chapter shall apply to the industrial employment and training of prisoners convicted by general courts-martial and confined in any institution under the jurisdiction of any department or agency comprising the Department of Defense, to the extent and under terms and conditions agreed upon by the Secretary of Defense, the Attorney General and the Board of Directors of Federal Prison Industries.

"(e) Any department or agency of the Department of Defense may, without exchange of funds, transfer to Federal Prison Industries any property or equipment suitable for use in performing the functions and duties covered by agreement entered into under subsection (d) of this section."

Sec. 32. Section 4124 of Title 18, United States Code, is amended by striking out, in the second paragraph of such section, the words "Director of the Bureau of Federal Supply, Department of the Treasury" and in lieu thereof inserting "Administrator of General Services", so that such section will read as follows:

**"§ 4124. Purchase of prison-made products by Federal departments**

"The several Federal departments and agencies and all other Government institutions of the United States shall purchase at not to exceed current market prices, such products of the industries authorized by this chapter as meet their requirements and may be available.

"Disputes as to the price, quality, character, or suitability of such products shall be arbitrated by a board consisting of the Comptroller General of the United States, the Administrator of General Services, and the Director of the Bureau of the Budget, or their representatives. Their decision shall be final and binding upon all parties."

Sec. 33. The analysis of Chapter 313 of Title 18, United States Code, immediately preceding section 4241 of such title, is amended by striking out all of item 4243, in such analysis, and in lieu thereof inserting "4243. Delivery to state authorities on expiration of sentence."

Sec. 34. Section 41 of Title 28, United States Code, entitled "Judiciary and Judicial Procedure", is amended by inserting, immediately preceding "Hawaii" in that part of such section relating to the composition of the Ninth judicial circuit, the following: "Guam," so that such part will read as follows: "Alaska, Arizona, California, Idaho, Montana, Nevada, Oregon, Washington, Guam, Hawaii."

Sec. 35. Subsection (a) of section 45 of Title 28, United States Code, is amended by inserting, immediately after "circuit judge" in such subsection, the words "in active service who is", so that such subsection will read as follows:

"(a) The circuit judge in active service who is senior in commission shall be the chief judge of the circuit."

Sec. 36. Section 48 of Title 28, United States Code, is amended by adding at the end of such section the following new paragraph:

"Any court of appeals may, with the consent of the Judicial Conference of the United States, pretermitt any regular term or session of the court at any place for insufficient business or other good cause."

Sec. 37. Subsection (a) of section 136 of Title 28, United States Code, is amended by inserting, immediately after "district judge"



in such subsection, the words "in active service who is", so that such subsection will read as follows:

"(a) In each district having more than one judge the district judge in active service who is senior in commission shall be the chief judge of the district court."

Sec. 38. The first paragraph of section 333 of Title 28, United States Code, is amended by inserting, immediately after "Canal Zone," in such paragraph, the following: "the District Court of Guam," so that such paragraph will read as follows:

"The chief judge of each circuit shall summon annually the circuit and district judges of the circuit, in active service to a conference at a time and place that he designates, for the purpose of considering the business of the courts and advising means of improving the administration of justice within such circuit. He shall preside at such conference, which shall be known as the Judicial Conference of the circuit. The judges of the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands shall also be summoned annually to the conferences of their respective circuits."

Sec. 39. Section 371 of Title 28, United States Code, is amended (1) by inserting the subsection designation "(a)" at the beginning of the first paragraph of the section; (2) by inserting the subsection designation "(b)" at the beginning of the second paragraph of the section; (3) by inserting the subsection designation "(c)" at the beginning of the fourth paragraph of the section; (4) by striking out, in the second paragraph of subsection (c) of such section (as herein so designated) the words "who retires or"; (5) by inserting, immediately after "precedence," in the second paragraph of subsection (c) of such section, the words "service as chief judge or temporary performance of the duties of that office"; and (6) by inserting, immediately after "junior" in the second paragraph of subsection (c) of such section, the words "in commission", so that such section will read as follows:

"§ 371. Resignation or retirement for age; substitute judge on failure to retire

"(a) Any justice or judge of the United States appointed to hold office during good behavior who resigns after attaining the age of seventy years and after serving at least ten years continuously or otherwise shall, during the remainder of his lifetime, continue to receive the salary which he was receiving when he resigned.

"(b) Any justice or judge of the United States appointed to hold office during good behavior may retain his office but retire from regular active service after attaining the age of seventy years and after serving at least ten years continuously or otherwise. He shall, during the remainder of his lifetime, continue to receive the salary of the office.

"The President shall appoint, by and with the advice and consent of the Senate, a successor to a justice or judge who retires.

"(c) Whenever any circuit or district judge eligible to resign or retire under this section does neither, and the President finds that such judge is unable to discharge efficiently all the duties of his office by reason of permanent mental or physical disability and that the appointment of an additional judge is necessary for the efficient dispatch of business, the President may make such appointment by and with the advice and consent of the Senate. If such additional judge is appointed, the vacancy subsequently caused by the death, resignation, or retirement of the disabled judge shall not be filled.

"Any circuit or district judge whose disability causes the appointment of an additional judge, shall, for purposes of precedence, service as chief judge or temporary

performance of the duties of that office, be treated as junior in commission to the other judges of the circuit or district."

Sec. 40. The first paragraph of section 373 of Title 28, United States Code, is amended by inserting, immediately after "Canal Zone" in such paragraph, the following: "the District Court of Guam", so that such paragraph will read as follows:

"Any judge of the United States District Courts for the districts of Hawaii or Puerto Rico, the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam or the District Court of the Virgin Islands and any justice of the Supreme Court of the Territory of Hawaii who resigns, retires, or fails of reappointment or is removed by the President of the United States upon the sole ground of mental or physical disability, after attaining the age of seventy years and after serving as judge of one or more of such courts, at least sixteen years, continuously or otherwise, shall continue to receive the salary which he received when he relinquished office."

Sec. 41. The second paragraph of subsection (c) of section 411 of Title 28, United States Code, is amended by striking out the words "Secretary of War", and in lieu thereof inserting "Secretary of the Army", so that such second paragraph will read as follows:

"Reports and digests printed prior to June 12, 1926, shall not be furnished to the Secretary of the Army for military headquarters."

Sec. 42. The analysis of Chapter 21 of Title 28, United States Code, immediately preceding section 451 of such title, is amended by inserting, immediately after "Canal Zone" in item 460 in such analysis, the following: "Guam", so that such item will read as follows: "460. Application to Alaska, Canal Zone, Guam and Virgin Islands."

Sec. 43. (a) Section 460 of Title 28, United States Code, is amended (1) by inserting, immediately after "Canal Zone" in the catchline to such section, the following: "Guam"; and (2) by inserting, immediately after "Canal Zone" in the text of such section, the following: "the District Court of Guam"; so that such section will read as follows:

"§ 460. Application to Alaska, Canal Zone, Guam and Virgin Islands

"Sections 452-459 of this chapter shall also apply to the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands and the judges thereof."

(b) The second paragraph of section 603 of Title 28, United States Code, is amended by striking out the reference "sections 661-673 and 674 of Title 5" appearing in such paragraph, and in lieu thereof inserting "the Classification Act of 1949", so that such paragraph will read as follows:

"The Director shall fix the compensation of Administrative Office employees according to the Classification Act of 1949."

Sec. 44. Section 610 of Title 28, United States Code, is amended by inserting, immediately after "Canal Zone," in such section, the following: "the District Court of Guam," so that such section will read as follows:

"§ 610. Courts defined

"As used in this chapter the word 'courts' includes the courts of appeals and district courts of the United States, the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam, the District Court of the Virgin Islands, the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court."

Sec. 45. Subsection (b) of section 676 of Title 28, United States Code, is amended by inserting, immediately after "section 411",

and immediately after "sections 411 and 412", in such subsection, the words "of this title", so that such subsection will read as follows:

"(b) Whenever advance pamphlet installments and bound volumes of the Court's decisions are printed by a private printer, an adequate number of copies for distribution in accordance with the requirements of section 411 of this title and for sale to the public shall be provided and made available for these purposes in such manner and at such prices as may be determined from time to time by the Supreme Court or the Chief Justice of the United States, in lieu of compliance by the Public Printer and the Superintendent of Documents with the requirements of sections 411 and 412 of this title with respect to such copies. Pending distribution or sale, such copies shall be the property of the United States and shall be held in the custody of the marshal or such other person, organization, or agency, as the Supreme Court or the Chief Justice of the United States may designate."

Sec. 46. The first paragraph of subsection (a) of section 753 of Title 28, United States Code, is amended by inserting, immediately after "Canal Zone," in such paragraph, the following: "the District Court of Guam," so that such paragraph will read as follows:

"(a) Each district court of the United States, the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands shall appoint one or more court reporters."

Sec. 47. The first paragraph of section 1252 of Title 28, United States Code, is amended by inserting, immediately after "Canal Zone" in such paragraph, the following: "the District Court of Guam", so that such paragraph will read as follows:

"Any party may appeal to the Supreme Court from an interlocutory or final judgment, decree or order of any court of the United States, the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands and any court of record of Alaska, Hawaii, and Puerto Rico, holding an Act of Congress unconstitutional in any civil action, suit, or proceeding to which the United States or any of its agencies, or any officer or employee thereof, as such officer or employee, is a party."

Sec. 48. Section 1291 of Title 28, United States Code, is amended by adding at the end of such section the following new paragraph:

"Except where a direct review may be had in the Supreme Court, the Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the District Court of Guam in all cases involving the Constitution, laws or treaties of the United States or any authority exercised thereunder, in all habeas corpus proceedings, and in all other civil cases where the value in controversy exceeds \$5,000, exclusive of interests and costs."

Sec. 49. Paragraph (1) of section 1292 of Title 28, United States Code, being that paragraph which follows the opening clause of such section, is amended by inserting immediately after "Canal Zone," in such paragraph, the following: "the District Court of Guam," so that such section will read as follows:

"§ 1292. Interlocutory decisions

"The courts of appeals shall have jurisdiction of appeals from:

"(1) Interlocutory orders of the district courts of the United States, the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, or of the judges thereof, granting, continuing,

modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court;

"(2) Interlocutory orders appointing receivers, or refusing orders to wind up receiverships or to take steps to accomplish the purposes thereof, such as directing sales or other disposals of property;

"(3) Interlocutory decrees of such district courts or the judges thereof determining the rights and liabilities of the parties to admiralty cases in which appeals from final decrees are allowed;

"(4) Judgments in civil actions for patent infringement which are final except for accounting."

SEC. 50. (a) Section 1294 of Title 28, United States Code, is amended (1) by striking out the period at the end of clause (6) of such section and in lieu thereof inserting a semicolon; and (2) by adding a new clause at the end of such section, to read as follows:

"(7) From the District Court of Guam, to the Court of Appeals for the Ninth Circuit."

(b) Clause (2) of subsection (d) of section 1346 of Title 28, United States Code, is amended (1) by inserting, immediately after "action" in such clause, the words "or claim"; and (2) by inserting, immediately after "officers" in such clause, the words "or employees", so that such subsection will read as follows:

"(d) The district courts shall not have jurisdiction under this section of:

"(1) Any civil action or claim for a pension;

"(2) Any civil action or claim to recover fees, salary, or compensation for official services of officers or employees of the United States."

(c) Section 1498 of Title 28, United States Code, is amended by inserting, immediately after and underneath the first paragraph of such section, the following new paragraph:

"For the purposes of this section, the use or manufacture of an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States."

SEC. 51. (a) The second sentence in the first paragraph of section 1821 of Title 28, United States Code, is amended by striking out, in that part which precedes the first proviso in such sentence, the word "residence", and in lieu thereof inserting "residences", so that such part will read as follows: "Witnesses who are not salaried employees of the Government and who are not in custody and who attend at points so far removed from their respective residences as to prohibit return thereto from day to day shall be entitled to an additional allowance of \$5 per day for expenses of subsistence including the time necessarily occupied in going to and returning from the place of attendance."

(b) Subsection (b) of section 1915 of Title 28, United States Code, is amended by striking out the words "furnishing a stenographic transcript and", so that such subsection will read as follows:

"(b) In any civil or criminal case the court may, upon the filing of a like affidavit, direct that the expense of printing the record on appeal, if such printing is required by the appellate court, be paid by the United States, and the same shall be paid when authorized by the Director of the Administrative Office of the United States Courts."

(c) Subsection (e) of section 1915 of Title 28, United States Code, is amended to read as follows:

"(e) Judgment may be rendered for costs at the conclusion of the suit or action as

in other cases, but the United States shall not be liable for any of the costs thus incurred. If the United States has paid the cost of a stenographic transcript or printed record for the prevailing party, the same shall be taxed in favor of the United States."

SEC. 52. The second paragraph of section 2253 of Title 28 United States Code, is amended to read as follows:

"There shall be no right of appeal from such an order in a proceeding to test the validity of a warrant to remove, to another district or place for commitment or trial, a person charged with a criminal offense against the United States, or to test the validity of his detention pending removal proceedings."

SEC. 53. The second proviso in the third paragraph of section 125 of the Act of June 3, 1916 (ch. 134, 39 Stat. 216; 10 U. S. C., sec. 1393), as last amended by section 15 (b) of the Act of May 24, 1949 (ch. 39, 63 Stat. 91), is amended to read as follows: "Provided further, That when an enlisted man is discharged for bad conduct, undesirability, unsuitability, inaptitude or otherwise than honorably, all uniform outer clothing in his possession shall be retained for military use, and, when authorized by regulations prescribed by the Secretary of the Army or the Secretary of the Navy, a suit of civilian outer clothing, and a civilian overcoat when necessary, the total cost not to exceed \$30, may be issued to such discharged enlisted man of the Army, Navy or Marine Corps."

SEC. 54. Section 6 of the Act approved October 31, 1942 (ch. 634, 56 Stat. 1014; 35 U. S. C., sec. 94) is amended to read as follows:

"Sec. 6. For the purposes of this Act, the manufacture, use, sale, or other disposition of an invention, whether patented or unpatented, by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government shall be construed as manufacture, use, sale, or other disposition for the United States."

SEC. 55. (a) Section 24 of the Organic Act of Guam (Act August 1, 1950, ch. 512, sec. 24, 64 Stat. 390; 48 U. S. C., sec. 1424b) is amended (1) by striking out, in the second sentence of subsection (a) of such section the words "and shall be entitled to the benefits of retirement provided in section 373 of title 28, United States Code" and the comma immediately preceding such words; and (2) by striking out, in subsection (c) of such section, the reference "21, 41, 43, 49, and 57" and in lieu thereof inserting "43 and 49"; so that such section will read as follows:

"Sec. 24. (a) The President shall, by and with the advice and consent of the Senate, appoint a judge for the District Court of Guam who shall hold office for the term of four years and until his successor is chosen and qualified unless sooner removed by the President for cause. The judge shall receive a salary payable by the United States which shall be the same as the salary of the Governor of Guam as provided by section 26 (a) of this Act. The Chief Justice of the United States may, with the consent of the judge so assigned, assign any United States circuit or district judge to serve as a judge in the District Court of Guam whenever it is made to appear that such an assignment is necessary for the proper dispatch of the business of the court.

"(b) The President shall appoint, by and with the advice and consent of the Senate, a United States attorney and United States marshal for Guam to whose offices the provisions of chapters 31 and 33 of title 28, United States Code, respectively, shall apply.

"(c) The provisions of chapters 43 and 49 of title 28, United States Code, shall apply to the District Court of Guam."

(b) Paragraph (f) of section 7 of the Act approved August 9, 1939 (ch. 618, 53 Stat. 1292 (1293); 49 U. S. C., sec. 787 (f)) is

amended by striking out the reference "147 of the Criminal Code, as amended (U. S. C., title 18, sec. 261)" in such paragraph, and in lieu thereof inserting "3 of Title 18," so that such paragraph will read as follows:

"(f) The words 'obligation or other security of the United States' are used as now or hereafter defined in section 8 of Title 18."

SEC. 56. (a) The last paragraph under the subheading "General Provisions" under the heading "Navy Department" in section 101 of the Act approved December 23, 1943 (chapter 380, Title I, 57 Stat. 628 [top of page]; 34 U. S. C., sec. 197a), as amended by section 17 of the Act approved August 4, 1949 (Chapter 393, 63 Stat. 560), is hereby repealed.

(b) The second proviso in section 10 of the Act approved March 4, 1925 (chapter 536, 43 Stat. 1274; 34 U. S. C., sec. 722), is hereby repealed.

(c) The Act approved May 13, 1950 (chapter 185, P. L. 513, 81st Cong., 64 Stat. 159, 160; 50 U. S. C., secs. 46-46b) is hereby repealed.

(d) Sections 6, 7, 8, and 9 of the Act approved March 8, 1902 (chapter 140, 32 Stat. 55; 19 U. S. C., former secs. 152a [including that part of such section 6 which was not classified to 19 U. S. C., former sec. 152a], 152b, 577; 48 U. S. C., former sec. 1009) are hereby repealed.

(e) Section 23 of the Organic Act of Guam (Act August 1, 1950, chapter 512, section 23, 64 Stat. 390; 48 U. S. C., sec. 1424a) is hereby repealed.

(f) Section 3051 of Title 18, United States Code, and all of item 3051 in the analysis of chapter 203 of such title (immediately preceding section 3041 of such title), are hereby repealed.

(g) The third paragraph under the heading "United States Court of Customs Appeals" in section 1 of the Act approved March 4, 1911 (chapter 237, 36 Stat. 1170), such heading and paragraph being on page 1234 of volume 36, Statutes at Large (31 U. S. C., sec. 687), is hereby repealed.

(h) Section 204 of the Revised Statutes, as amended by section 2 of the act approved December 28, 1874 (chapter 9, 18 Stat. 294), and section 205 of the Revised Statutes, are hereby repealed.

(i) That part of section 73 of the Printing Act of January 12, 1895 (chapter 23, 28 Stat. 615) relating to the compilation, editing, indexing, and publication of the United States Statutes at Large, which part was amended by the Act approved June 20, 1936 (chapter 630, sec. 9, 49 Stat. 1551) and by the Act approved June 16, 1938 (chapter 477, sec. 1, 52 Stat. 760), and is classified to section 196 of Title 44, United States Code, is hereby repealed. This subsection shall not be construed as repealing that part of such section 73, as amended, which relates to the printing, binding, and distribution of the Statutes at Large and the United States Treaties and Other International Agreements, and is classified to section 196a of Title 44, United States Code, or any other part of such section 73, nor shall it be construed as repealing sections 112 and 112a of Title 1, United States Code, relating to the same subject matter as the subject matter in the part of such section 73 herein repealed.

(j) The act approved August 8, 1950 (chapter 646, 64 Stat. 419) is hereby repealed.

(k) There are hereby repealed the following statutes and parts of statutes:

(1) Act approved March 3, 1925, chapter 419, sections 1 and 2, 43 Stat. 1104.

(2) Act approved February 28, 1929, chapter 385, 45 Stat. 1412, 1413.

(3) Act approved March 22, 1935, chapter 39, section 1 (part), 49 Stat. 69 (only the proviso in the paragraph immediately under the heading "Collecting and Editing Official Papers of Territories of the United States", appearing on page 69).



(4) Act approved February 14, 1936, chapter 70, 49 Stat. 1139.

(5) Act approved May 15, 1936, chapter 405, section 1 (part), 49 Stat. 1311 (only the proviso in the paragraph immediately under the heading "Collecting and Editing Official Papers of the Territories of the United States", appearing on page 1311).

(6) Act approved June 16, 1937, chapter 359, section 1 (part), 50 Stat. 262, 263 (only the proviso which begins near the bottom of page 262, and ends on page 263).

(7) Act approved June 28, 1937, chapter 386, 50 Stat. 323, 324.

(8) Act approved April 27, 1938, chapter 180, section 1 (part), 52 Stat. 249 (only the proviso in the third full paragraph appearing on page 249).

(9) Act approved June 29, 1939, chapter 248, title I (part), 53 Stat. 886 (only the proviso in the last paragraph on page 886).

(10) Act approved July 31, 1945, chapter 336, 59 Stat. 510, 511.

(11) Act approved July 7, 1950, chapter 452, 64 Stat. 320.

(1) The repeal, by subsections (a)-(k) of this section, of the statutes and parts of statutes referred to in such subsections, shall not affect any rights or liabilities existing under such statutes or parts of statutes at the time this Act takes effect.

With the following committee amendments:

(1) On page 11 of the bill immediately preceding § 18, insert a new section, § 17a to read as follows:

"Sec. 17a. The analysis of chapter 2 of title 17, United States Code, immediately preceding section 101 of such title, is amended by striking out the following five items:

- "101. (f) Rules of procedure.
- "102. Jurisdiction of courts in enforcing remedies.
- "103. Joinder of proceedings for different remedies.
- "110. Jurisdiction of actions under laws.
- "111. District in which actions may be brought."

(2) On page 20 of the bill immediately preceding § 37, insert a new section, § 36a to read as follows:

"Sec. 36a. Subsection (b) (2) of section 90 of title 28, United States Code, is amended by striking out the word 'Washington,' so that the subsection will read as follows: '(2) The Macon Division comprises the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, and Wilkinson.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AMENDING TITLE 18 OF THE UNITED STATES CODE, ENTITLED "CRIMES AND CRIMINAL PROCEDURE"

The Clerk called the bill (H. R. 2395) to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure", to provide basic authority for certain activities of the United States Secret Service, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 331 of title 18, United States Code, is amended to read as follows:

"§ 331. Mutilation, diminution, and falsification of coins

"Whoever fraudulently alters, defaces, mutilates, impairs, diminishes, falsifies,

scales, or lightens any of the coins coined at the mints of the United States, or any foreign coins which are by law made current or are in actual use or circulation as money within the United States; or

"Whoever fraudulently possesses, passes, utters, publishes, or sells, or attempts to pass, utter, publish, or sell, or brings into the United States, any such coin, knowing the same to be altered, defaced, mutilated, impaired, diminished, falsified, scaled, or lightened—

"Shall be fined not more than \$2,000 or imprisoned not more than 5 years, or both."

Sec. 2. Section 475 of title 18, United States Code, is amended to read as follows:

"§ 475. Imitating obligations or securities; advertisements

"Whoever designs, engraves, prints, makes, or executes, or utters, issues, distributes, circulates, or uses any business or professional card, notice, placard, circular, handbill, or advertisement in the likeness or similitude of any obligation or security of the United States issued under or authorized by any act of Congress or writes, prints, or otherwise impresses upon or attaches to any such instrument, obligation, or security, or any coin of the United States, any business or professional card, notice, or advertisement, or any notice or advertisement whatever, shall be fined not more than \$500."

Sec. 3. Section 489 of title 18, United States Code, is amended to read as follows:

"§ 489. Making or possessing likeness of coins

"Whoever, within the United States, makes or brings therein from any foreign country, or possesses with intent to sell, give away, or in any other manner uses the same, except under authority of the Secretary of the Treasury or other proper officer of the United States, any token, disk, or device in the likeness or similitude as to design, color, or the inscription thereon of any of the coins of the United States or of any foreign country issued as money, either under the authority of the United States or under the authority of any foreign government shall be fined not more than \$100."

Sec. 4. Section 3056 of title 18, United States Code, is amended to read as follows:

"§ 3056. Secret Service powers

"Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States and members of his immediate family, the President-elect, and the Vice President at his request; detect and arrest any person committing any offense against the laws of the United States relating to coins, obligations, and securities of the United States and of foreign governments; detect and arrest any person violating any of the provisions of sections 508 and 509 of this title and, insofar as the Federal Deposit Insurance Corporation, Federal land banks, joint-stock land banks and national farm loan associations are concerned, of sections 218, 221, 433, 493, 657, 709, 1006, 1007, 1011, 1013, 1014, 1907, and 1909 of this title; detect and arrest any person committing any other offense against the laws of the United States relating to the Treasury Department and the several branches of the public service under its control; execute warrants issued under the authority of the United States; carry firearms; offer and pay rewards for services or information looking toward the apprehension of criminals; and perform such other functions and duties as are authorized by law."

Sec. 5. (a) Section 201 of title 3, United States Code, is hereby repealed.

(b) The analysis of chapter 3 of title 3, United States Code, is amended by striking out the item "201. Protection of President and family authorized."

(c) The analysis of chapter 25 of title 18, United States Code, immediately preceding section 471 of such title, is amended by striking out the words "publisher's illustrations excepted" in item 489.

With the following committee amendment:

Page 4, lines 3, 4, 5, 6, strike "committing any other offense against the laws of the United States relating to the Treasury Department and the several branches of the public service under its control" and substitute therefor "violating any laws of the United States in connection with official matters administered by and under the direct control of the Treasury Department."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AUTHORIZE CERTAIN LAND AND OTHER PROPERTY TRANSACTIONS

Mr. PRICE. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 71, the bill (H. R. 1215) to authorize certain land and other property transactions, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. FORD. Mr. Speaker, reserving the right to object, during the original consideration of this bill, inasmuch as there was no departmental report indicated, I asked that it be passed over without prejudice. It has subsequently come to my attention that the Department of Defense has indicated by the committee report that it recommends enactment of the legislation, and I therefore withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,*

#### TITLE I

Sec. 101. The authority granted to the Secretary of the Army by the act of July 2, 1917 (40 Stat. 241), as amended, the act of May 17, 1926 (44 Stat. 562), and section 7 of the Act of July 24, 1946 (60 Stat. 643), is hereby similarly granted to the Secretary of the Navy to be exercised with respect to the naval service of the United States. For the purpose of this section, the terms "military training camps" and "military purposes" as used in the aforementioned act of July 2, 1917, as amended, shall be deemed to include "naval training stations" and "naval purposes," respectively.

Sec. 102. The Secretary of the Navy is hereby authorized to convey to the Government of Puerto Rico, for highway purposes, under such terms and conditions as he may deem appropriate, two strips of land containing eighty and twenty-four thousandths one hundred and eighty-six one hundred-thousandths square meters and one hundred and nine and six hundred and one one-thousandths square meters, more or less, respectively, said strips being a part of approximately one hundred and eighty and fourteen one-hundredths acres of land located in the ward of Pueblo Ciego, municipality of Guaynabo, Puerto Rico, title to which was acquired by the United States by declaration of taking filed in condemnation

proceedings in the District Court of the United States for the District of Puerto Rico Numbered 2453 Civil, metes and bounds description of which is on file in the Navy Department.

SEC. 103. The Secretary of the Navy is hereby authorized to accept on behalf of the United States, for use as a naval training center, a donation from the city of Gainesville, Fla., of a parcel of land situated near that city, county of Alachua, State of Florida, metes and bounds description of which is as follows:

Begin at the southwest corner of block 1, range 19, Elliott and L'Engle's Addition, as per plat in deed book "J" at page 230 and 231, public records of Alachua County, Fla.; thence run east a distance of two hundred and twenty-nine and five-tenths feet to a point; thence run north parallel to the west line of block 1, 2, and 3, range 19, a distance of seven hundred and eighty feet to a point; thence run west two hundred and ninety-nine and five-tenths feet to the southwest corner of block 4, range 19; thence south seven hundred and eighty feet to the point of beginning. All lying and being in section 33, township 9, south, range 20 east, Alachua County, Fla., and containing four and thirty-nine one-hundredths acres.

SEC. 104. Notwithstanding any other provision of law, all right, title, and interest of General Services Administration in and to the real property located in Jacksonville, Fla., referred to as Plancor 1595-A (residual oil terminal), and also known as the General American Transportation Co., Jacksonville, Fla., shall be transferred without exchange of funds, by General Services Administration to the Navy Department.

SEC. 105. The Secretary of the Navy is hereby authorized to convey to the Commonwealth of Virginia for roadway purposes, under such terms and conditions as he may deem appropriate, two parcels of land; the first being a strip varying in width from ten feet at the westerly end to fifty feet at the easterly end, is one thousand six hundred two and eighty-seven one-hundredths feet in length, contains eighty-one one-hundredths of an acre, more or less, and is located adjacent to the southerly boundary of the naval auxiliary air station, Chincoteague, Va.; the second is a strip fifty feet in width, nine thousand five hundred sixty-eight and one one-hundredth feet in length, contains ten and sixty-nine one-hundredths acres, more or less, and traverses the southerly and easterly portion of said auxiliary air station. The metes and bounds descriptions of both parcels are on file in the Navy Department.

SEC. 106. The Secretary of Agriculture is hereby authorized to transfer, without exchange of funds, to the Navy Department, that land comprising the former site of Park Field Military Reservation, Shelby County, Tenn., said land being the same land which was transferred from the War Department to the Department of Agriculture by the act of July 25, 1939 (53 Stat. 1075), metes and bounds description of which is on file in the Navy Department.

#### TITLE II

SEC. 201. The Secretary of the Navy is hereby authorized to grant, under such terms and conditions as he may deem appropriate, perpetual easements in the lands or portions thereof or improvements thereon hereinafter mentioned (metes and bounds description of which are on file in the Navy Department) to the following grantees:

(a) The city of New York, in that sewer line located in the New York Naval Shipyard which enters the shipyard at Clymer Street, proceeds along berth 22 to an outfall in the Wallabout Basin at berth 23 and empties into East River as shown in a map entitled "Substitute Outlet Classon Avenue Sewer System" on file in the Navy Department: *Pro-*

*vided*, That in addition to such other terms and conditions as the Secretary of the Navy may deem proper, the grant shall be on the specific condition that the city of New York waive its claim for compensation against the United States based on the condemnation proceedings in the United States District Court for the Eastern District of New York, entitled "United States versus 25.4 acres of land in Brooklyn, etc.", Civil No. M-586.

(b) The State of Texas, for public highway purposes in, over, and across a strip of land averaging forty-four and one-half feet in width and seven thousand and six hundred feet in length containing seven and seven hundred and thirty-two one-thousandths acres, more or less, forming a part of the United States Naval Auxiliary Air Station, Cuddihy Field, Corpus Christi, Tex.

(c) The State of Texas, for public highway improvement purposes in, over, and across a strip of land averaging twenty-four and one-half feet in width and approximately two thousand seven hundred feet in length and containing one and fifty-one one-hundredths acres, more or less, said strip of land now being a part of the Arlington Outlying Field (No. 25811), located in Tarrant County, Tex.

The city of San Diego, Calif., for street improvement purposes in, over, and across—

(1) a strip of land one hundred seventy-four and sixty-three one-hundredths feet in length varying in width from no feet to twelve feet for a distance of fifty-seven and three hundred and fifteen one-thousandths feet at each end, and having a constant width of twelve feet for the central sixty feet, and containing three hundred and forty-one ten-thousandths of an acre; and

(2) a triangular parcel of land at the most easterly corner of Lowell and Rosecrans Streets having a length of seven and forty-two one-hundredths feet on Lowell Street and four and sixty-three one-hundredths feet on Rosecrans Street and containing an area of seventeen and seventeen one-hundredths square feet, both parcels now being a part of the United States Naval Training Center, San Diego, Calif.

(e) The county of Spokane, Wash., for public highway purposes in, over, and across a parcel of land containing one and nine-tenths acres, more or less, said parcel now being a part of the Naval Supply Depot, Spokane, Wash.

(f) The State of Florida, for public highway purposes in, over, and across a strip of land one hundred and fifty feet in width and three thousand and five hundred feet in length, containing eleven and fifty-nine one-hundredths acres, more or less, said strip of land now being a part of the United States Naval Air Station, Fort Lauderdale, Fla.

(g) The city of Dania, Fla., for public highway purposes in, over, and across a strip of land twenty-five feet in width and two thousand seven hundred and ninety-six and seventy-three one-hundredths feet in length and containing one and six hundred and five one-thousandths acres, more or less, said strip of land now being a part of the United States Naval Air Station, Fort Lauderdale, Fla.

(h) The Fred H. Bixby Co., of Long Beach, Calif., in, over, and across a strip of land in section 35, township 4 south, range 12 west, San Bernardino base meridian, Los Angeles County, Calif., being ten feet in width for nine hundred and seventy-six and nine-tenths feet and eighteen feet in width for four hundred and eighteen and eighty-four one-hundredths feet, and containing approximately three hundred and ninety-seven one-thousandths acres: *Provided*, That in addition to such other terms and conditions as the Secretary of the Navy may deem proper, the foregoing grant shall contain a specific provision that said grant is in exchange for a perpetual easement which

the said Bixby Co. has already conveyed to the Navy Department in a strip of land ten feet in width and three hundred and thirty-five one-hundredths feet in length lying in section 35, township 4 south, range 12 west, San Bernardino base meridian, Los Angeles County, Calif., containing six thousand eight hundred and ninety-five ten-thousandths acre, more or less; detailed descriptions of both easements are on file in the Navy Department.

(i) The Territory of Hawaii, for public highway purposes in, over, and across three adjacent strips of land of varying width and approximately three thousand feet in length and containing three and three hundred and thirty-nine one-thousandths acres, more or less, said strips of land now being a part of the naval facility known as Camp Catlin, Monanalua, Honolulu, Oahu, Territory of Hawaii.

#### TITLE III

SEC. 301. The Administrator of General Services is hereby authorized to transfer to the Department of the Air Force, without reimbursement, the following property, together with all improvements and appurtenant facilities, and the machinery, equipment, and other personal property accessory thereto:

Project number	Type of project	Location
Plancor 220.....	Industrial plant.	Milwaukee, Wis.
Plancor 324.....	Industrial plant.	Adrian, Mich.
Plancor 821.....	Industrial plant.	Johnson City, N. Y.
CIN-1.....	Warehouse.....	Indianapolis, Ind.

SEC. 302. The Reconstruction Finance Corporation is hereby authorized to transfer to the Department of the Air Force, without reimbursement, Plancor 2304, consisting of an industrial plant, at North Grafton, Mass., together with all improvements and appurtenant facilities, and the machinery, equipment, and other personal property accessory thereto: *Provided*, That such transfer shall not include inventories of raw materials and work in progress.

SEC. 303. The Reconstruction Finance Corporation is hereby authorized to transfer to the Department of the Army without reimbursement, Plancor 166 M, consisting of an industrial plant, at Muskegon, Mich., together with all improvements and appurtenant facilities and the machinery, equipment, and other personal property accessory thereto: *Provided*, That such transfer shall not include inventories of raw material and work in progress.

With the following committee amendments:

Page 3, line 14, strike out all of section 104. Page 3, line 22, strike out "105" and insert "104."

Page 4, line 13, strike out "106", and insert "105."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### TRANSFER OF TITLE TO CERTAIN LAND IN FLORIDA

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 53, the bill (H. R. 2684) to provide for the transfer or quitclaim of title to certain lands in Florida.

When the bill was originally called I asked that the bill be passed over without prejudice because no departmental



report accompanied the bill. Since that time I have been furnished with a report from the Department of the Interior. I had examined it and I find it in good shape. The bill has merit and should be passed.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior shall, as soon as reasonably possible, make an investigation to determine whether or not certain lands between the shore line of the Gulf of Mexico and township 6 south, range 12 west, Tallahassee meridian, Florida, as represented on the official plat approved in April 1834 are unsurveyed public lands. The Secretary shall promptly notify all interested persons of his determination in such manner as he may find appropriate.

SEC. 2. If the Secretary finds any such unsurveyed public lands, he shall cause them to be surveyed. If such lands have not been appropriated under the public-land laws, the Secretary shall appraise such lands and offer them for sale for a period of 30 days at their appraised price to the owners of the adjoining uplands in such township.

SEC. 3. If the Secretary determines that the areas investigated under this act are not unsurveyed public lands, he shall, upon request of any adjoining upland owner, issue a quitclaim deed to the owners of adjoining upland for the lands between the original meander line and the shore line, without making a survey.

SEC. 4. For the benefits of this act the ownership of such adjoining uplands shall be determined as of the date of October 2, 1946. Any adjoining upland owner receiving a conveyance of lands under the provisions of this act, who shall have prior to receipt of such conveyance conveyed or contracted to convey any part of such lands, shall through any conveyance made under this act take title in trust for any such grantees and their successors in interest.

SEC. 5. In order to facilitate prompt execution of the investigations, examinations, surveys, or other action which may be necessary to carry out the provisions of this act, the Secretary may accept contributions to be used for such purpose.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the sale, transfer, or quitclaim of title to certain lands in Florida."

A motion to reconsider was laid on the table.

#### RECORDATION OF SCRIP

Mr. BENTSEN. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 54, the bill (H. R. 2889) to require the recordation of scrip, lieu selection, and similar rights.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That any owner of, and any person claiming rights to, Valentine scrip, issued under the act of April 5, 1872 (17 Stat. 649); Sioux Half-Breed scrip, issued under the act of July 17, 1854 (10 Stat. 304); Supreme Court scrip, issued under the acts of June 22, 1860 (12 Stat. 85), March 2, 1867 (14 Stat. 544), and June 10, 1872 (17 Stat. 378); Surveyor-General scrip, issued under

the act of June 2, 1858 (11 Stat. 294); a soldier's additional homestead right, granted by sections 2306 and 2307 of the Revised Statutes; a forest lieu selection right, assertable under the act of March 3, 1905 (33 Stat. 1264); a lieu selection right conferred by the act of July 1, 1898 (30 Stat. 957); a bounty land warrant issued under the act of March 3, 1855 (10 Stat. 701); or any lieu selection or scrip right or bounty land warrant, or right in the nature of scrip issued under any act of Congress not enumerated herein (except the indemnity selection rights of any State, or of the Territory of Alaska), shall, within 3 years from the effective date of this act, present his holdings or claim for recordation by the Department of the Interior.

SEC. 2. In the case of a transfer after the effective date of this act, by assignment, inheritance, operation of law, or otherwise of a holding or claim of any right required by this act to be recorded, the holding or claim of right so acquired shall be presented to the Department of the Interior within 6 months after such transfer, for recordation by it; except that where such transfer occurs within the period of 3 years from the effective date of this act and the prior owner has not complied with provisions of this act, the owner or claimant by transfer shall have the remainder of such period or a period of 6 months, whichever is the longer, within which to present his claims or holdings for recordation.

SEC. 3. There shall be endorsed on the evidence of the right or warrant each recordation thereof.

SEC. 4. Claims or holdings not presented for recordation as prescribed herein shall become null and void and all rights and interests thereunder shall terminate.

SEC. 5. The Secretary of the Interior is authorized to make rules and regulations to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Consent Calendar.

#### AVIATION WAR RISK INSURANCE

Mr. BECKWORTH. Mr. Speaker, I move to suspend the rules and pass the bill (S. 435) to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, as amended.

The Clerk read as follows:

*Be it enacted, etc.,* That the Civil Aeronautics Act of 1938, as amended (U. S. C., title 49, secs. 401-581), is hereby amended by adding at the end thereof the following new title:

#### "TITLE XIII—WAR RISK INSURANCE

"SEC. 1301. As used in this title—

"(a) The term 'American aircraft' means 'civil aircraft of the United States' as defined in section 1 (15) of this act, and any aircraft owned or chartered by or made available to the United States, or any department or agency thereof, or the government of any State, Territory, or possession of the United States, or any political subdivision thereof, or the District of Columbia.

"(b) The term 'war risks' includes, to such extent as the Secretary may determine, all or any part of those risks which are described in 'free of capture and seizure' clauses, or analogous clauses.

"(c) The term 'Secretary' means the Secretary of Commerce.

"SEC. 1302. (a) The Secretary, with the approval of the President, and after such consultation with interested agencies of the Government as the President may require, may provide insurance and reinsurance against loss or damage arising out of war

risks in the manner and to the extent provided in this title, whenever it is determined by the Secretary that such insurance adequate for the needs of the air commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States: *Provided*, That no insurance shall be issued under this title to cover war risks on persons or property engaged or transported exclusively in air commerce within the several States of the United States and the District of Columbia.

"(b) Any insurance or reinsurance issued under any of the provisions of this title shall be based, insofar as practicable, upon consideration of the risk involved.

"SEC. 1303. The Secretary may provide the insurance and reinsurance, authorized by section 1302 with respect to the following persons, property, or interest:

"(a) American aircraft, and those foreign-flag aircraft engaged in aircraft operations deemed by the Secretary to be in the interest of the national defense or the national economy of the United States, when so engaged.

"(b) Cargoes transported or to be transported on any such aircraft, including shipments by express or registered mail; air cargoes owned by citizens or residents of the United States, its Territories, or possessions; air cargoes imported to, or exported from, the United States, its Territories, or possessions and air cargoes sold or purchased by citizens or residents of the United States, its Territories, or possessions, under contracts of sale or purchase by the terms of which the risk of loss by war risks or the obligation to provide insurance against such risks is assumed by or falls upon a citizen or resident of the United States, its Territories, or possessions; air cargoes transported between any point in the United States and any point in a Territory or possession of the United States, between any point in any such Territory or possession and any point in any other such Territory or possession, or between any point in any such Territory or possession and any other point in the same Territory or possession.

"(c) The personal effects and baggage of the captains, pilots, officers, members of the crews of such aircraft, and of other persons employed or transported on such aircraft.

"(d) Captains, pilots, officers, members of the crews of such aircraft, and other persons employed or transported thereon against loss of life, injury, or detention.

"(e) Statutory or contractual obligations or other liabilities of such aircraft or of the owner or operator of such aircraft of the nature customarily covered by insurance.

"SEC. 1304. (a) Any department or agency of the United States may, with the approval of the President, procure from the Secretary any of the insurance provided under this title, except with respect to valuables covered by sections 1 and 2 of the act of July 8, 1937 (50 Stat. 479).

"(b) The Secretary is authorized with such approval to provide such insurance at the request of the Secretary of Defense, and such other agencies as the President may prescribe, without premium in consideration of the agreement of the Secretary of Defense or such agency to indemnify the Secretary against all losses covered by such insurance, and the Secretary of Defense and such other agencies are authorized to execute such indemnity agreement with the Secretary.

"SEC. 1305. (a) To the extent that he is authorized by this title to provide insurance, the Secretary may reinsure, in whole or in part, any company authorized to do an insurance business in any State of the United States. The Secretary may reinsure with, or cede or retrocede to, any such company, any insurance or reinsurance provided by the Secretary in accordance with the provisions of this title.

"(b) Reinsurance shall not be provided by the Secretary at rates less than nor obtained by the Secretary at rates more than the rates established by the Secretary on the same or similar risks or the rates charged by the insurance carrier for the insurance so reinsured, whichever is most advantageous to the Secretary, except that the Secretary may make to the insurance carrier such allowances for expenses on account of the cost of services rendered or facilities furnished as he deems reasonably to accord with good business practice, but such allowance to the carrier shall not provide for any payment by the carrier on account of solicitation for or stimulation of insurance business.

"Sec. 1306. (a) Moneys appropriated by Congress to carry out the provisions of this title and all moneys received from premiums, salvage, or other recoveries and all receipts in connection with this title shall be deposited in a revolving fund in the Treasury of the United States. Payments of return premiums, losses, settlements, judgments, and all liabilities incurred by the United States under this title shall be made from such funds through the disbursing facilities of the Treasury Department.

"(b) Such sums as shall be necessary to carry out the provisions of this title are authorized to be appropriated to such fund.

"(c) At least annually, any balance in the revolving fund in excess of an amount determined by the Secretary to be necessary for the requirements of the fund, and for reasonable reserves to maintain the solvency of the fund shall be paid into the Treasury as miscellaneous receipts.

"(d) Annual payments shall be made by the Secretary of the Treasury of the United States as miscellaneous receipts by reason of costs incurred by the Government through the employment of appropriated funds by the Secretary in carrying out the provisions of this title. These payments shall be computed by applying to the average monthly balance of appropriated funds retained in the revolving fund a percentage determined annually in advance by the Secretary of the Treasury. Such percentage shall not be less than the current average rate which the Treasury pays on its marketable obligations.

"(e) The Secretary shall contribute to the Civil Service Retirement and Disability Fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the Civil Service Retirement System applicable to the employees engaged in carrying out the provisions of this title. The Secretary shall also contribute to the employees' compensation fund, on the basis of annual billings as determined by the Federal Security Administrator for the benefit payments made from such fund on account of the employees engaged in carrying out the provisions of this title. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Secretary into the Treasury as miscellaneous receipts.

"Sec. 1307. (a) The Secretary, in the administration of this title, may issue such policies, rules, and regulations as he deems proper and, subject to the following provisions of this subsection, may adjust and pay losses, compromise and settle claims, whether in favor of or against the United States and pay the amount of any judgment rendered against the United States in any suit, or the amount of any settlement agreed upon, in respect of any claim under insurance authorized by this title. In the case of any aircraft which is insured under the provisions of this title, (1) the policy shall specify a stated amount to be paid in the event of total loss, and such stated amount shall not exceed an amount determined by the Secretary, after consultation with the Civil Aeronautics Board, to represent the fair and reasonable value of the aircraft, and (2) the amount of any claim which is adjusted, compromised,

settled, adjudged, or paid shall in no event exceed such stated amount.

"(b) The Secretary may prescribe and change forms and policies, and fix, adjust, and change the amounts insured and rates of premium provided for in this title: *Provided*, That with respect to policies in effect at the time any such change is made, such change shall apply only with the consent of the insured.

"(c) The Secretary, in administering this title, may exercise his powers, perform his duties and functions, and make his expenditures, in accordance with commercial practice in the aviation insurance business. Except as authorized in subsection (d) of this section, no insurance broker or other person acting in a similar intermediary capacity shall be paid any fee or other consideration by the Secretary by virtue of his participation in arranging any insurance wherein the Secretary directly insures any of the risk thereof.

"(d) The Secretary may, and whenever he finds it practical to do so shall, employ companies or groups of companies authorized to do an aviation insurance business in any State of the United States, to act as his underwriting agent. The Secretary may allow such companies or groups of companies fair and reasonable compensation for servicing insurance written by such companies or groups of companies as underwriting agent for the Secretary. The services of such underwriting agents may be utilized in the adjustment of claims under insurance provided by this title, but no claim shall be paid unless and until it has been approved by the Secretary. Such compensation may include an allowance for expenses reasonably incurred by such agent, but such allowance shall not include any payment by such agent on account of solicitation for or stimulation of insurance business.

"(e) The Secretary with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail himself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this title.

"(f) The Secretary, in the performance of, and with respect to, the functions, powers, and duties vested in him by this title, shall prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act as amended (59 Stat. 597; 31 U. S. C. 841). The Secretary shall maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial transactions as provided by the said Government Corporation Control Act: *Provided*, That because of the business activities authorized by this title, the Secretary may exercise the powers conferred in said title, perform the duties and functions, and make expenditures required in accordance with commercial practice in the aviation insurance business, and the General Accounting Office shall allow credit for such expenditures when shown to be necessary because of the nature of such authorized activities.

"Sec. 1308. This title shall not affect rights of airmen under existing law.

"Sec. 1309. The Secretary shall include in his annual report to Congress a detailed statement of all activities and of all expenditures and receipts under this title for the period covered by such report and in addition make quarterly progress reports to the Congress with reference to contracts entered into, proposed contracts, and the general progress of his insurance activities.

"Sec. 1310. Upon disagreement as to a loss insured under this title, suit may be maintained against the United States in the United States District Court for the District of Columbia or in the United States district

court in and for the district in which the claimant or his agent resides, notwithstanding the amount of the claim and any provision of existing law as to the jurisdiction of United States district courts, and this remedy shall be exclusive of any other action by reason of the same subject matter against any agent or employee of the United States employed or retained under this title. If the claimant has no residence in the United States, suit may be brought in the United States District Court for the District of Columbia or in any other United States district court in which the Attorney General of the United States agrees to accept service. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by title 28, United States Code, section 1346 (a) (2), so far as applicable. All persons having or claiming or who might have an interest in such insurance may be made parties either initially or upon the motion of either party. In any case where the Secretary acknowledges the indebtedness of the United States on account of such insurance, and there is a dispute as to the persons entitled to receive payment, the United States may bring an action in the nature of a bill of interpleader against such parties in the United States District Court for the District of Columbia, or in the United States district court of the district in which any such person resides. In such actions any party, if not a resident of or found within the district, may be brought in by order of court served in such reasonable manner as the court directs. If the court is satisfied that persons unknown might assert a claim on account of such insurance, it may direct service upon such persons unknown by publication in the Federal Register. Judgment in any such suit shall discharge the United States from further liability to any parties to such action, and to all persons when service by publication upon persons unknown is directed by the court. The period within which suits may be commenced contained in said act providing for bringing of suits against the United States shall, if claim be filed thereafter within such period, be suspended from such time of filing until the claim shall have been administratively denied by the Secretary and for 60 days thereafter: *Provided, however*, That such claim shall be deemed to have been administratively denied if not acted upon within 6 months after the time of filing, unless the Secretary for good cause shown shall have otherwise agreed with the claimant.

"Sec. 1311. A person having an insurable interest in an aircraft may, with the approval of the Secretary, insure with other underwriters in an amount in excess of the amount insured with the Secretary, and, in that event, the Secretary shall not be entitled to the benefit of such insurance, but nothing in this section shall prevent the Secretary from entering into contracts of coinsurance.

"Sec. 1312. The authority of the Secretary to provide insurance and reinsurance under this title shall expire 5 years from the date of enactment of this title."

Sec. 2. Section 1 of the Civil Aeronautics Act of 1938, as amended, is hereby amended as follows:

(1) Paragraph (20) (a) of such section is amended by striking out "(except the Philippine Islands)."

(2) Paragraph (21) (a) of such section is amended by striking out "(except the Philippine Islands)."

(3) Paragraph (29) of such section is amended by striking out "(c) the Philippine Islands, except that the operation of civil aircraft within the jurisdiction of the Philippine Islands shall be governed by laws enacted by the legislature of the islands and by executive regulations designating airspace reservations or other prohibited areas; and (d)" and inserting in lieu thereof "and (c)."



The SPEAKER. Is a second demanded?

Mr. HINSHAW. Mr. Speaker, while I am not opposed to the bill, for the purpose of the hearing I demand a second.

The SPEAKER. Is there anyone opposed to the bill who demands a second?

If not, without objection, a second is considered as ordered.

There was no objection.

Mr. BECKWORTH. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the bill I bring before the House is S. 435. This bill, I understand, passed the Senate unanimously several weeks ago. Our committee held rather extensive and exhaustive hearings with reference to it and to the companion House bill I introduced. It is known as the war risk insurance bill that would be applicable to aviation in a manner rather similar to the way war risk insurance has been applicable to our merchant ships, particularly in World War II, and then under the provisions of a bill that was passed in 1950, the provisions of which, as I understand are in effect at this time.

I think it should be borne in mind that if there is any opposition to this bill it never did manifest itself to our committee. It is for that reason we bring it here under the type of procedure we do. It passed our committee unanimously.

The committee came to the conclusion that unquestionably there is a need for this kind of legislation, if not so much today, a prospective need. There are in insurance policies what might be termed exclusion clauses. These clauses or other policy stipulations make it possible for the company to cancel within 48 hours given airline insurance on certain flights. Also these exclusion clauses make it possible for the insurance companies to say that they will not insure against certain kinds of extraordinary risks. The type of insurance this legislation would give would only be in instances where the risk is extraordinary. As a matter of fact, the legislation does provide that only where the premiums are unreasonable or where the insurance cannot be obtained do these kinds of provisions—the ones found in legislation today—operate.

The reason there was no cause for legislation like this in World War II, and I am sure some of you are wondering why there was not, is that at the beginning of World War II the Government took over in effect the airlines of the country which it needed, it took over the planes, and title to the planes rested with the United States Government. From there on in the main that which the plane did was a governmental operation. That has not been true so far. Instead, the Government has permitted the title of the planes to remain in the companies. For that reason, among others, this kind of legislation is needed.

The circumstances under which the Secretary of Commerce would have an opportunity to utilize this medium of insurance are where the given plane is flying in the interest of national defense or in the national interest. That finding the Secretary would have to make before he could use this kind of insur-

ance. Also he would be expected to confer with other departments of our Government.

I might say furthermore that this kind of insurance would not be written with reference to flights totally within the United States and the District of Columbia. It would only be in connection with flights outside of that territory just referred, or from a point in the continental United States on the District of Columbia to the foreign areas. It is my understanding there are some 20 air lines that are currently operating into areas where this kind of insurance prospectively is needed. One question that naturally comes in the minds of the membership is, What will it cost? It is completely impossible to foresee what a plan of this kind will cost, but all the testimony we have from the representative of the Secretary of Commerce, from the General Accounting Office, from the representatives of the Air Transport Association, and through letters written by the Director of the Civil Aeronautics Authority and the Civil Aeronautics Board, give the impression and the very definite idea that it is hoped this will be self-sustaining. That is not an idle hope, for in a similar plan and program, a kindred program applicable to the merchant ships in World War II, not only was the program self-sustaining, but as a result of the program a profit was made for the Government after all expenses attached to the program were paid. I remember specifically that I questioned Mr. Davis, the representative of the Secretary of Commerce, along this line. I asked him if given rates were set, and it was determined that they were inadequate, and that the given rates would constitute a losing proposition, if immediately those who had had something to do with the setting of rates would undertake to revise the rates in order to make the plan one that would sustain itself. The very definite answer was that that would be done.

I believe the Committee on Interstate and Foreign Commerce can come to the House and say that every effort will be made to make this plan or project self-sustaining.

Mr. Speaker, I would like to make one other point before I conclude. The question might be asked: Are private insurance companies in favor of this? Those insurance companies which ordinarily would perform this type of work if no war were on, and there are some 61 of them, I am informed, were represented before our committee, and they stated conclusively that they cannot insure certain kinds of risk situations, and they feel there is a need for this kind of legislation. Although in effect it is putting the Government into a type of business in which it has not been before, those who ordinarily would perform the function definitely have expressed a need for it.

I repeat what I said in the beginning that our committee was unanimous in voting this bill out. It passed the other body unanimously, and it is hoped we will have little trouble in passing it through the House.

Furthermore, it is felt by many that there is a very urgent need, prospectively at least, for this legislation today. Certainly if great trouble should come on at a moment's notice these 48-hour clauses could be quite handicapping and particularly would that be true if the Congress were not in session, for example, in August, and overnight a serious situation should develop.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. PRIEST. Is it not true that the committee at the very beginning was a little bit hesitant about this legislation, but after very careful study and hearings, as well as careful study in executive sessions, the committee came to a unanimous agreement that something should be done?

Mr. BECKWORTH. The gentleman has stated the fact. Our committee did not follow, as it were, this legislation as I trust it does not swallow any legislation without very detailed study. We came to the conclusion that unquestionably the need exists.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. ROGERS of Florida. Is it not true that none of the commercial insurance companies oppose this measure?

Mr. BECKWORTH. That is exactly true, and that is certainly one of the compelling reasons why today we endorse it.

The SPEAKER. The time of the gentleman from Texas has expired.

The SPEAKER pro tempore [Mr. JONES of Alabama]. The gentleman from California [Mr. HINSHAW] is recognized.

Mr. HINSHAW. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I believe the reason for bringing up this bill under suspension of the rules is because it was not acceptable to the Consent Calendar under the rules.

The gentleman from Texas [Mr. Beckworth] has said this is a unanimous committee report. It is. It seems to me it is a very highly necessary piece of legislation and should be passed in advance of untoward events, rather than to wait for a time when those untoward events would dictate emergency action. In other words, this is something we are doing in advance of its necessity, and occasion may never arise for its being put into operation. However, events of the last war proved that if we had had something of this sort during World War II we would have been far better off today than we are, under the circumstances.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, as a member of the committee, I approve of this legislation and recognize its necessity. It is obviously important that the airlines and the insurance companies recognize the necessity of its immediate enactment.

The reason I asked for this time today was to point up in the RECORD a portion of the bill as to which I raised some doubt during committee consideration,

and as to which I still have some question. That is the provision for a revolving fund, under section 1306.

At the time the bill was before the committee in executive session I had not had an opportunity to take this problem up with Hon. Lindsay Warren, but I did so that day. Today I received a letter from him, from which I would like to quote in part. I shall place that letter in full in the *RECORD* so that we may have the full consideration on this particular point, and, if it is felt desirable, in the conference.

I had asked Mr. Warren about the revolving fund, and in his letter he says:

I heartily agree with your views on the desirability of adhering to normal appropriation procedures to the fullest extent possible. The General Accounting Office consistently has recommended against legislation to bypass or short-circuit these procedures without adequate justification.

He goes on to advise us that in some cases this type of financing provides a basis for more economic and efficient administration of certain programs, but he cautions that this should only be in cases where there is the fullest disclosure of the facts and under separate policy determinations.

I have no doubt many of you are familiar with the task force report of the Hoover Commission, which is Appendix J, filed January 13, 1949, on this very problem of revolving funds and business enterprises of the Government. Specifically there are six particular provisions which were recommended by the task force as safeguards. I shall insert those six particular conditions in the *RECORD*, again for full consideration of this point. I want to call attention to one particular point, in that recommendation number 6 calls for net income after payment of interest to be paid into the Treasury as miscellaneous receipts as soon as possible after the close of each month. This particular bill provides for only an annual report.

The point has been raised that once a month might be too frequent and might cause an unusual and unnecessary workload. Personally, I do not know whether that would be so. I do insist, however, that in connection with the use of revolving funds, where there is no direct check on the funds by Congress, through its appropriations and finance committees, in all of these cases where this device is utilized, it should be surrounded with full safeguards. We should also consider with great care the conditions imposed to insure that there is no abuse in its use.

Hope has been expressed that the experience of the last war would result in a net gain to the Treasury under this proposed extension of air commerce. In this connection I believe Mr. Warren has now given us an expression of caution which we should have in mind in following the developments under this program to make certain that it does not result in a wholly unanticipated and unnecessary cost to the taxpayers. As Mr. Warren states, the previous profit became possible "because our military forces whipped the submarine menace." I do not think any of us in advocating

the passage of this legislation wish to leave the impression that there is any particular analogy between that situation and those which may well develop in the field of air commerce under circumstances existing today.

Mr. Warren's full letter and the attached statement are as follows:

COMPTROLLER GENERAL  
OF THE UNITED STATES,  
Washington, May 21, 1951.

HON. JOHN W. HESELTON,  
House of Representatives.

DEAR MR. HESELTON: Your letter of May 11, 1951, points out that in general it is wiser to provide for direct appropriations rather than to endorse the device of a revolving fund, and asks comments by the General Accounting Office on section 1306 of S. 435, which would provide for a revolving fund to finance a Civil Aeronautics Administration war-risk insurance program.

I heartily agree with your views on the desirability of adhering to normal appropriation procedures to the fullest extent possible. The General Accounting Office consistently has recommended against legislation to bypass or short-circuit those procedures without adequate justification.

In some cases, however, the revolving fund type of financing provides the basis for more economical and effective administration of programs authorized by the Congress, and for fiscal controls equal or superior to those available under appropriation procedures. In such cases there is no objection to this type of financing, provided, of course, it is authorized by the Congress as a matter of policy, upon the basis of full disclosure of facts showing the need therefor and the advantages to the Government.

Since you mention in your letter that you are not completely familiar with similar provisions in other law, I am sending along a statement showing the results of operations under several similar provisions.

The "insurance fund in the Treasury" required to be set up under section 1208 (a) of Public Law 763, Eighty-first Congress—a section substantially identical in purpose to that evidently intended for section 1306 (a) of S. 435—is in fact a revolving fund, even though it is not specifically so denominated. Moneys appropriated by Congress to carry out the provisions of that act and all moneys received from operations thereunder will go into the fund, and all payments to carry on the operations will be made therefrom. When the program is completed, any balance in the fund will be for return to the Treasury. Substantially the same thing would be done under section 1306 (a) of S. 435.

Of course, under both programs the ultimate cost, or profit, as the case may be, will be for the Government. Whether it would be a gain or loss depends largely upon the fortunes of war. Those fortunes were favorable in World War II, because our military forces whipped the submarine menace, so that the war-risk insurance program of the former United States Maritime Commission wound up with some little profit to the Government.

It is hoped that this information and the enclosures will serve the purpose of your inquiry.

Sincerely yours,

Comptroller General of the United States.

#### EXAMPLES OF REVOLVING FUND OPERATIONS

There are three main groups of revolving funds or working capital funds:

(1) The first group comprises Government agencies engaged primarily in doing business with outsiders. These agencies generally are engaged in a business-type cycle of dealings with private business or members of the pub-

lic. They are self-supporting so far as is possible, and carry on with their own earnings after an original start provided by the Government's capital investment. In fact, some of them return profits to the Treasury.

An example of these agencies is the Home Owners' Loan Corporation. Now in liquidation, this corporation through effective management and sound fiscal operations not only returned the Government's investment of \$200,000,000 (which put the corporation in business) but, also, paid a handsome profit for the benefit of the taxpayers.

Another example is the Federal Deposit Insurance Corporation. No recitation of cases is required to recall the untold public service this corporation has performed. In 1948 it completed liquidation of the Government's investment. Even though this action removed the Federal Deposit Insurance Corporation from the audit requirements of the Government Corporation Control Act of 1945, the corporation requested continuance of an independent audit of its financial transactions by the General Accounting Office, and a strong provision for such audits was written into the Federal Deposit Insurance Act of 1950, Public Law 797, Eighty-first (64 Stat. 873).

Another example is the Guaranty Loan Program of World War II, which paid all of its losses and expenses and turned back its original capital with a profit. Another is the Natural Fibers Revolving Fund which financed the purchase of natural fibers and resale thereof to Japan and contributed largely to restoration of Japanese economy. One of current interest is the rubber purchasing program of the General Services Administration under the Defense-Production Act of 1950. This one aims to purchase all possible rubber, to stockpile so much of it as is required to meet defense needs for strategic or critical materials, and to sell the rest to approved manufacturers. More than \$600,000,000 in rubber purchases already have been consummated under this program, and ultimate purchases undoubtedly will be in the multibillion-dollar class. This has been done with the relatively small working capital of \$600,000,000 which should not need replenishment since no loss is anticipated. Had the appropriation procedure been used, the entire amount necessary for these purchases would have had to be appropriated.

(2) The second group involves intradepartmental activities, such as "central services" carried on in the Departments of Agriculture, Commerce, and Interior. It has proven more economical and efficient to set up a central source of services and supplies within these departments, financed by working capital funds, to serve, on a reimbursable basis, the several bureaus within each department.

(3) The third group combines certain essential factors of the first and second. In this category are agencies or bureaus which are engaged either partly or wholly in the performance of work or the rendition of services to other agencies or to outsiders, or to both. For example, about 60 percent of the work done by the National Bureau of Standards in the fiscal year ended June 30, 1950, was for other agencies, bureaus, or outsiders, on a reimbursable basis. The Bureau of Engraving and Printing, in the Treasury Department, does 100 percent of its work for other agencies or bureaus, and it will have a working capital fund for this purpose effective July 1, 1951.

When the Bureau of Standards established its working capital fund it gained for the first time a proper measure of fiscal control of the appropriations, funds, and allotments made available to it to carry on its work. It is now able, by the application of sound cost accounting principles and by virtue of the working capital fund type of financing, to determine with reasonable accuracy just what its costs are and how much of them



should be charged to each job being done. Hitherto that was accomplished, at best, on the basis of "guesstimates." Also, it was enabled to clear out a lot of deadwood and red tape, and eliminate duplications and overlapping of administrative and accounting functions. For example, the allotment accounts were reduced from 1,100 in number to 40.

All three of these groups have proven to be suited to the revolving fund type of financing. Moreover, improved accounting and financial controls gained under this method of financing and the business type budget are better management tools, and form the basis for more accurate and informative financial reports to the President, the Congress, and the taxpayers.

Notwithstanding the foregoing discussion of the advantages, in some cases, of the revolving fund type of financing, it is to be understood that the General Accounting Office endorses its use only in specific cases under separate policy determinations. It does not change the fundamental rule that direct appropriation procedures should be followed wherever possible.

The excerpt from the Task Force Report on Revolving Funds and Business Enterprises of the Government is as follows:

Revolving funds, both for Government corporations and nonincorporated forms of Government enterprises (exclusive of lending agencies) should be permitted under the following conditions:

1. Their use should be limited to working capital funds and the purposes for which they may be used should be clearly defined by the Congress.
2. Separate appropriations should be made for capital expenditures.
3. Working capital no longer required should be returned to the Treasury in reduction of the amount of the revolving fund.
4. Authority should be given for temporary borrowing from the Treasury, limited to a certain amount or a certain percentage of the working capital.
5. Interest should be paid into the Treasury as miscellaneous receipts on working capital (but not on supply or service funds) and on borrowings which the Congress has determined are repayable from revenue-producing operations.
6. Net income, after payment of interest as above, should be paid into the Treasury as miscellaneous receipts as soon as possible after the close of each month (net income being determined without formal closing of the accounts), so as to maintain the working capital fund at the amount appropriated by Congress. Deficits should be reported to the Treasury currently and to the Congress at least once a year for the purpose of obtaining appropriations to cover such deficits.

I have examined the report of the Hoover Commission without finding anything specifically related to these particular recommendations. There were differences of opinion expressed by members of the Commission, but largely in dealing with the conduct of electric power and reclamation activities. There is one general statement contained in the report as to which there does not seem to have been any substantial difference of opinion, which has an over-all bearing on a portion of the problem involved in this legislation. Under the title of Savings—Business Enterprises, the Commission stated:

The savings to the taxpayers to be made in these business agencies are very large. They can originate from consolidations; increase in rates of interest or charges for services so as to include administrative expense;

proper amortization and interest return to the Government; the incorporation of some to secure more flexibility in management, accounting, and budgeting; and more speedy liquidations. Such savings amount to large sums.

If the recommendations in this report be carried out, there would be a decrease of over 30 in the number of these agencies.

Mr. HINSHAW. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Speaker, I believe the members of the committee who have preceded me have fully explained the necessity and the reasons for this legislation. When this matter came on for hearing let me say there was considerable skepticism on the part of the committee on both sides as to the need for this legislation. As the hearings proceeded and the absolute necessity for it was developed, unanimity on the part of the committee was complete that it was a very necessary piece of legislation; that while some of us were reluctant about the Government's assuming that which was the ordinary responsibility of private enterprise, nevertheless, when private enterprise came in and asked for this legislation stating that it was necessary, the objection on that phase was removed.

Mr. Speaker, in some respects this legislation is in broad general language. There have been some improvements in language, for which the committee is indebted to Mr. Perley of the legislative staff and to our own committee staff for a great deal of work and research in improving and clarifying the language of the bill as it was passed by the other body. It is true there are still some broad powers vested in the Secretary of Commerce, but by reason of the very necessity for this legislation it has been absolutely necessary that the Secretary be vested with such powers.

Mr. Speaker, I know of no objection to this legislation and I think it has been improved by our committee over that which passed the other body.

Mr. HINSHAW. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I intended to speak perhaps more at length, but the thoughts which I had desired to express have already been covered by members of the committee who have spoken before me.

I know of no objection to the bill. I think we are all agreed that the bill is in better form than when it was received by us from the other body.

The bill has general acceptance, as far as we have been advised by testimony, from private enterprise. It seems to be a necessary, proper, and desirable matter of legislation in advance of possible anticipated events. I am therefore happy to join in the general support of this proposed legislation.

Mr. HINSHAW. Mr. Speaker, I yield one-half minute to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Speaker, I merely wish to emphasize to the House a matter which has already been alluded to by Members who are in support of this legislation: This is not a

handout from the Federal Treasury; it is in no sense a subsidy of the civil aviation industry; it will pay its own way; but rather, it provides a means of insurance protection in danger areas to civil aviation where no other means are available for securing any insurance protection.

As has been stated, this bill is a necessary and desirable instrumentality now. In view of impending events it is something which by all means should be put on the statute books.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill S. 435, as amended?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

Mr. HINSHAW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HINSHAW. Mr. Speaker, that was the bill as amended by the House committee, is that correct?

The SPEAKER. The gentleman is correct.

#### OUR CHINA POLICY

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include quotes from newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, the days of miracle are not over. Last Friday night in New York City at the twenty-fifth annual dinner of the China Institute, Assistant Secretary of State, Dean Rusk, gave the world to understand that the United States of America would aid the Chinese people in any revolt against their "Colonial Russian Government."

This came, no doubt, as a great shock to the American people as well as to most of the people around the world. This is a complete reversal of our State Department's far-eastern policy over the past 6 years, and is contrary to the repeated stands taken by this administration.

The world knows that it was the first New Deal administration that recognized Soviet Russia after four previous administrations had refused to recognize their godless atheism. The world knows who furnished millions upon millions of dollars in lend-lease to Soviet Russia and saved their necks at Stalingrad. The world also knows who promised the return of Manchuria to Chiang Kai-shek and the Nationalist China forces, and who then sold them down the river by turning Manchuria, lock, stock, and barrel, over to Joe Stalin and his outlaws. The loss of Manchuria, of course, led to the downfall of China and forced Chiang Kai-shek to take refuge in Formosa.

The world knows who appeased the Kremlin over the past several years and granted them concessions at Tehran, Yalta, and Potsdam. The world also knows that it was Dean Acheson, our Secretary of State, who said to "withdraw from Asia and let the dust settle,"

and who was largely responsible for the withdrawal of Lieutenant General Hodge and his 40,000 American troops because Acheson thought neither Korean nor Formosa had any military significance for our national security. Douglas MacArthur thought otherwise.

Now it is refreshing to learn that Mr. Rusk has said that the United States recognizes the Nationalist regime because it more authentically represents the views of a China demanding independence from foreign control. We have always recognized Nationalist China, a member of the U. N. Where has Mr. Rusk been?

Wonders never cease. It is Mr. Rusk who now says that the Communist rule in China "is not the Government of China, it is not Chinese. It is not entitled to speak for China in the community of nations. It is entitled only to the fruits of aggression upon which it is now willfully, openly and senselessly embarked." MacArthur is not the only one of us who has known this all the time.

Mr. Rusk's address is all the more remarkable and significant because he was strongly backed by two other administration spokesmen: Mr. Foster Dulles, who correctly added that the Kremlin was using China as a puppet to win South Korea as a strategic base against Japan; and also by Senator PAUL DOUGLAS, Democrat of Illinois, who pictured the Peiping regime as a Russian puppet and called for American aid to both the Chinese Nationalists on Formosa and the guerrillas on the mainland.

This, Mr. Speaker, is exactly the position which Gen. Douglas MacArthur has taken for a long time. It would be amusing were it not so pathetic to see our State Department twist and squirm as it comes around to accepting MacArthur's position. From the start the general has wanted to use the Chinese Nationalist forces of Chiang Kai-shek on Formosa, and to arm the anti-Communists on the Chinese mainland.

The second great constructive suggestion of MacArthur was to blockade China proper and to have all the United Nations place an embargo on arms, munitions, and war materials to the Communists in Red China. Yet, some of our allied members of the U. N.—particularly Great Britain and France—have shipped large quantities of oil, steel, rubber, electronics, medicines, and other vital war materials to Red China with which to kill American boys.

It is more than gratifying to find Senator DOUGLAS, a real Democrat—but not a New Dealer, a great soldier himself—but not an appeaser, agreed with General MacArthur that the United States should not only aid the Nationalists in Formosa, but allow them to make commando raids on the mainland at their own risk; that the United States keep Red China out of the United Nations; that as many nations as possible blockade the Red mainland, and that the United States carry on counter-propaganda efforts inside China and other Asiatic countries.

Mr. Speaker, the only reason that we are in serious trouble in Korea is because of the weak, vacillating, and contradictory foreign policy of the Roosevelt

and Truman administrations. We have men in high places in our State Department and the executive branches of our Government who walk up the hill one day and down it the next; who blow hot and cold in the same breath; who say things they do not mean and who mean things they do not say. It is high time we have some leadership at the head of our Government that is firm and fearless, virile and strong, and above all—sincere and honest.

The American people will not soon forget that because Douglas MacArthur wanted to use the Chinese Nationalist troops in Formosa and their sympathizers on the South China mainland; that because this great general insisted upon a blockade of Red China and the prohibition of shipment of war materials to aid the enemy in killing American men, the administration relieved him of his command. Yet the administration now accepts and promises to carry out his views.

The other constructive thing MacArthur wanted to do was to blast the enemy's bases of supply across the Yalu River, to bring to a quick end this savage struggle which would save many American lives. But the politicians tied his hands. Unless the situation in Korea soon improves materially, the fathers and mothers and wives of more than 70,000 casualties will force our stupid State Department to accept this part of MacArthur's strategy.

Let us hope that Americans can soon resolve their differences and that we can fight the common enemy instead of fighting one another. But the time has come when men should stop their double-talk; take a consistent stand; follow a firm policy; admit mistakes when they are made; and realize that unity consists not in blind following and unquestioning obedience but that it is a give-and-take proposition—a mutual enterprise more than a cowardly servility—and which if it lasts must rest upon the sound basis of common honesty and decency.

#### COMMITTEE ON PUBLIC WORKS

Mr. MITCHELL. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent for the immediate consideration of House Resolution 158.

The Clerk read the resolution, as follows:

*Resolved*, That the Committee on Public Works, effective, from January 3, 1951, acting as a whole or by subcommittee, is authorized and directed to conduct studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the Rules of the House of Representatives. For such purpose such committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories and possessions, and the Dominion of Canada, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpoenas shall be issued only over the signature of the chairman of the committee or a member of the committee designated by him;

they may be served by any person designated by such chairman or member.

The committee may report to the House of Representatives from time to time during the present Congress the results of its studies and investigations, with such recommendations for legislation or otherwise as the committee deems desirable. Any report submitted when the House is not in session shall be filed with the Clerk of the House.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MURDOCK (at the request of Mr. CLEMENTE), for week beginning May 21, on account of official business.

To Mr. CAMP, for 1 week, May 21 to May 26, on account of official business.

To Mr. HARVEY (at the request of Mr. HALLECK), indefinitely, on account of illness in family.

#### ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2685. An act to authorize the Administrator of Veterans' Affairs to reconvey to Tuskegee Institute a tract of land in Macon County, Ala.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1227. An act for the relief of sundry former students of the Air Reserve Officers' Training Corps.

#### EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in two instances and include in one a statement.

Mr. BLACKNEY asked and was given permission to extend his remarks.

Mr. MERROW asked and was given permission to extend his remarks in two instances and include editorials.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in two instances.

Mr. WOOD of Idaho asked and was given permission to extend his remarks and include an address by J. H. Frost, chairman of the Frost National Bank, of San Antonio.

Mr. VAN ZANDT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. DOLLIVER asked and was given permission to extend his remarks and include an editorial from the Mason City Globe-Gazette, Mason City, Iowa, of May 17, 1951.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from a cattle feeder, Mr. E. H. Mogck, of Montevideo, Minn., to the Minneapolis Star, in which Mr. Mogck points out clearly an objection to placing cattle feeders under the existing price rollback.



The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CURTIS of Missouri asked and was given permission to extend his remarks and include extraneous matter.

Mr. CLEVENGER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HARRISON of Wyoming asked and was given permission to extend his remarks and include a short newspaper article.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in two instances, in each to include editorials.

Mr. HILL asked and was given permission to extend his remarks and include therewith an address made by Governor Thornton, of Colorado, at the mid-year meeting of the directors of the Independent Petroleum Association of America at Denver, Colo., May 8, 1951.

Mr. BEAMER asked and was given permission to extend his remarks and include some letters.

Mr. GROSS asked and was given permission to extend his remarks and include a newspaper article.

Mr. HESELTON asked and was given permission to extend his remarks in two instances, in each to include newspaper articles.

Mr. HESELTON asked and was given permission to revise and extend his remarks during consideration of the bill (S. 435) the war-risk insurance bill, and include certain correspondence and excerpts from reports.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include extraneous matter.

Mr. RANKIN asked and was given permission to extend his remarks and include some letters.

Mr. DURHAM asked and was given permission to extend his remarks and include an editorial.

Mr. SABATH asked and was given permission to extend his remarks on Constantino Brumidi, the Michaelangelo of the Capitol.

Mr. MANSFIELD asked and was given permission to extend his own remarks.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that I may extend my remarks and include a newspaper editorial relative to the fine speech made by our colleague, the gentleman from New York [Mr. RIEHLMAN], which appeared in the Syracuse (N. Y.) Herald-American.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. KLUCZYNSKI asked and was given permission to extend his remarks and include extraneous matter.

Mr. YORTY asked and was given permission to extend his remarks and include extraneous matter.

Mr. MOULDER asked and was given permission to extend his remarks and include two editorials.

Mr. MACHROWICZ asked and was given permission to extend his remarks

and include remarks by His Eminence Cardinal Mooney.

Mr. ANFUSO (at the request of Mr. MACHROWICZ) was given permission to extend his remarks.

Mr. THORNBERRY asked and was given permission to extend his remarks in four instances and include printed matter.

Mr. LUCAS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. GAVIN asked and was given permission to extend his remarks and include a news article.

Mr. JUDD asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. SHAFER asked and was given permission to extend his remarks.

Mr. BUFFETT asked and was given permission to extend his remarks in three instances.

Mr. JENSEN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. NORBLAD asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks and include extraneous matter.

Mr. JONES of Alabama asked and was given permission to extend his remarks.

Mr. HUGH D. SCOTT, JR., asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. GATHINGS asked and was given permission to extend his remarks in three instances and include editorials.

Mr. BROOKS asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. HOWELL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. RODINO (at the request of Mr. HOWELL) was given permission to extend his remarks and include extraneous matter.

#### ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 22, 1951, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

462. A communication from the President of the United States transmitting proposed supplemental appropriations for the fiscal year 1952 in the amount of \$3,734,550 for the District of Columbia, in the form of amendments to the budget for said fiscal year (H. Doc. No. 138); to the Committee on Appropriations and ordered to be printed.

463. A letter from the Assistant Secretary of Defense, transmitting a draft of legislation entitled "To direct the Secretary of the Army to reestablish and correct the boundaries of the Quincy National Cemetery by

the exchange of Government-owned lands in the Quincy-Graceland Cemetery, Quincy, Ill."; to the Committee on Interior and Insular Affairs.

464. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "To authorize the Secretary of the Army to transfer to the Department of the Interior the Quartermaster experimental fuel station, Pike County, Mo."; to the Committee on Armed Services.

465. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1952 and prior fiscal years, in the amount of \$1,090,491,704 together with several proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 139); to the Committee on Appropriations and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee of Conference. H. R. 3587. Making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes (Rept. No. 484). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 232. Resolution providing for the payment of 6 months' salary and \$350 funeral expenses to the estate of Robert D. Johnson, late an employee of the House of Representatives, without amendment (Rept. No. 485). Ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 4169. A bill relating to the compensation and leave benefits of officers and employees in the custodial service of the Post Office Department transferred to the General Services Administration under Reorganization Plan No. 18 of 1950; to the Committee on Post Office and Civil Service.

By Mr. McMILLAN (by request):

H. R. 4170. A bill to authorize and direct the Commissioners of the District of Columbia to close Van Ness Street between Connecticut Avenue and Reno Road NW.; to the Committee on the District of Columbia.

By Mr. PERKINS:

H. R. 4171. A bill to grant certain educational, loan, employment, and other benefits provided for veterans of World War II to persons on active service with the Armed Forces during the present hostilities; to the Committee on Veterans' Affairs.

H. R. 4172. A bill to extend the time within which veterans of World War II may initiate and receive education and training under part VIII of Veterans Regulation No. 1 (a); to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 4173. A bill to provide an educational grant to children of certain veterans who died of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. FELLOWS:

H. R. 4174. A bill to fix a reasonable definition and standard of identity of lobsters; to the Committee on Interstate and Foreign Commerce.

By Mr. HALE:

H. R. 4175. A bill to fix a reasonable definition and standard of identity of lobsters;

to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL:

H. R. 4176. A bill to establish a program of grants-in-aid to assist the States to provide maternity and infant care for the wives and infants of enlisted members of the Armed Forces during the present emergency; to the Committee on Armed Services.

By Mr. NELSON:

H. R. 4177. A bill to fix a reasonable definition and standard of identity of lobsters; to the Committee on Interstate and Foreign Commerce.

By Mr. REECE of Tennessee:

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress that Greece, Turkey, and Spain should be invited to become parties to the North Atlantic Treaty and members of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. Res. 236. Resolution to increase personal income-tax exemptions; to the Committee on Ways and Means.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Assembly Joint Resolutions Nos. 32 and 29, relating to the furnishing of Federal assistance, including arms, ammunition, clothing and equipment, to the California Defense and Security Corps and/or the California National Guard Reserve, and to take necessary action to provide a national cemetery in the vicinity of Los Angeles; to the Committee on Armed Services.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to House Concurrent Resolution No. 76, relating to the enactment of an amendment to the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

Also, memorial of the Legislature of Guam, memorializing the President and the Congress of the United States relative to the First Guam Congress and Resolution No. 4, relating to the changing of section 10 of the Organic Act of Guam to provide a different method of electing members of the Legislature of Guam; to the Committee on Interior and Insular Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 4178. A bill for the relief of Nicolo LoCicero; to the Committee on the Judiciary.

By Mr. BUFFETT:

H. R. 4179. A bill for the relief of Mrs. Emma Goeckel and Friederick Goeckel; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 4180. A bill for the relief of Joseph Denekar and Mrs. Mary A. Denekar; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 4181. A bill for the relief of Leroy Peebles; to the Committee on the Judiciary.

H. R. 4182. A bill for the relief of Clarence Sudbeck; to the Committee on the Judiciary.

By Mr. HEDRICK:

H. R. 4183. A bill for the relief of Dr. Chai Chang Choi; to the Committee of the Judiciary.

H. R. 4184. A bill for the relief of Nahl Youssef; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4185. A bill for the relief of Calogero Bartolotta; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 4186. A bill for the relief of Enzo Melani; to the Committee on the Judiciary.

By Mr. MEEROW:

H. R. 4187. A bill for the relief of Jeremiah J. O'Brien; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 4188. A bill for the relief of Josephine F. Garrett; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

292. By Mr. McMULLEN: Petition of the Florida Society of Mayflower Descendants in favor of the United States Congress passing legislation to conform to Public Law 829, section 3 (c) insuring that the flag of the United States of America shall at all times occupy the place of honor whenever within the territorial boundaries of the United States of America exclusive of the international area at Lake Success; to the Committee on the Judiciary.

293. By the SPEAKER: Petition of Dorothy Winer, cochairman, Chapel Human Relations, Syracuse University, Syracuse, N. Y., petitioning consideration of their resolution with reference to the proposed aid-to-India bill, and requesting its passage; to the Committee on Foreign Affairs.

## SENATE

TUESDAY, MAY 22, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, who hast folded back the mantle of the night to clothe us in the golden glory of the new day, banish from our hearts all gloomy thoughts and make us glad with the brightness of hope fed by an invincible faith in eternal verities.

We praise Thee for the triumph of truth over error, to our impatience so slow, to Thyself so sure. We bless Thee for every word of truth which has been spoken the wide world through, for all of right which the human conscience has perceived and made into avenues of more abundant life for Thy children. In all our deadness, breathe on us, Breath of God.

May the life of the spirit become regnant in our lives, delivering us from indolence, from depression and disloyalty, from misuse of Thy gifts and deafness to Thy call; teaching us to sacrifice our comforts for others in answer to the want and woe of the world; making us kindly in thought, gentle in word, generous in deed, and thus lighted candles for the shedding forth of Thy radiance which is the light of the world. In the Redeemer's name, we ask it. Amen.

#### THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 21, 1951, was dispensed with.

#### MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 21, 1951, the President had approved and signed the following acts:

S. 119. An act for the relief of Joseph Girardi;

S. 822. An act for the relief of Mrs. Robert M. Sternberg; and

S. 824. An act for the relief of Gertrud Lomnitz.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 35) to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 108. An act to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands; and

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes.

The message further announced that the House had passed the bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 458. An act authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes;

H. R. 1026. An act to supplement the Act of June 29, 1936 (49 Stat. 2029), relating to the Castillo de San Marcos National Monument, in the State of Florida;

H. R. 1200. An act to correct an error in section 1 of the Act of June 28, 1947, "to stimulate volunteer enlistments in the Regular Military Establishment of the United States";

H. R. 1201. An act to amend section 4 of the act of March 2, 1933 (47 Stat. 1423), as amended, so as to provide that a mess operated under the direction of a Supply Corps officer can be operated either on a quantity or on a monetary-ration basis;

H. R. 1203. An act to authorize officers designated by the Secretary of the Air Force to take action on reports of survey and vouchers pertaining to Government property;

H. R. 1215. An act to authorize certain land and other property transactions, and for other purposes;

H. R. 1216. An act to authorize the President to convey and assign all equipment